FBIS DAILY REPORT

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SENATOR TERMS MEETING WITH BRITISH MP 'POSITIVE'

PY172120 Buenos Aires TELAM in Spanish 1623 GMT 17 Sep 84

[Excerpt] Buenos Aires, 17 Sep (TELAM) -- National Senator Enrique Gomez Centurion, of the San Juan Bloc, termed as positive the meeting which a group of senators held with British Labor Party MP Donald Anderson, who came through Buenos Aires last Saturday and with whom they discussed the Malvinas issue.

The San Juan Province senator explained to Radio del Plata that a meeting was held on Saturday noon at the request of the British MP, who wished to meet with the Senate's representatives before the Inter-Parliamentarian Commission. Gomez Centurion stated that the following persons took part in the meeting: Senator Julio Amoedo (Justicialist) in his capacity as president of the Commission, Adolfo Gass and Juan Trilla (Radicals), and Deputy Stubrin (Radical).

Gomez Centurion then explained that Anderson is the president of the Foreign Relations Commission of the House of Commons, that he is a member of the Labor Party and is one of the persons in Britain who is especially interested in finding a logical solution, as soon as possible, to the Argentine-British conflict.

Senator Gomez termed as positive the exchange of ideas held with the British legislator, who while on his way from Chile to the United States decided to make a stop in Buenos Aires. Gomez explained that Anderson is optimistic regarding the future because he believes that as time goes by the Labor Party will gain a stronger position within the British Government. Gomez said that the talks had been positive because they discussed Argentina's sovereign rights over the Malvinas and Anderson expressed understanding.

PJ LEADER COMMENTS ON MEETING WITH KISSINGER

PY171901 Buenos Aires Domestic Service in Spanish 1600 GMT 17 Sep 84

[Text] Referring to Argentina's negotiations with the foreign banks, Justicialist Party [PJ] leader Carlos Grosso, who participated in the meeting that Argentine politicians held with Henry Kissinger, this morning said that he did not believe Kissinger had come to Argentina to impose abrupt changes but rather to mediate positive solutions.

Asked about the subjects discussed during the meeting, Grosso denied that the possibility of the U.S. supporting Argentina at the United Nations to press Great Britian to negotiate had been discussed. Grosso said that three of the main subjects discussed were democratic stability in Latin America, particularly in Argentina, the world economic crisis and its effect on the economy of various countries, particularly on the Argentine economy, and Argentine-U.S. relations based on the two previously mentioned matters.

Grosso pointed out that they also talked about the strange complicity that existed for many decades between coupist groups in Argentina and the international coverage given them by certain groups foreign to Argentina's political life, including the connections these coupist groups could have had in the United States.

CHILEAN MONUMENT DAMAGED BY BOMB IN RIVADAVIA

PY171955 Buenos Aires Domestic Service in Spanish 1600 GMT 17 Sep 84

[Text] An explosive device planted by unidentified people exploded in Comodoro Rivadavia at 0430 this morning, destroying a part of the monument of the Maipu Embrace [Abrazo de Maipu] which was to be dedicated tomorrow during a ceremony to commemorate Chilean independence day. The monument, which was built by the Chilean Residents Center, had been erected along Rivadavia Promenade between Schneider and Florida Streets.

Shortly after the explosion, a fire brigade detachment and Penal Judge Mariano Gonzalez Palazzo arrived to investigate the incident.

EDITORIAL CRITICIZES ACTIONS AGAINST U.S. SHIPS

PY150426 Buenos Aires LA NACION in Spanish 14 Sep 84 p 8

[Editorial: "The Episode of Puerto Madryn"]

[Text] For many decades our country has suffered from expressions of exacerbated nationalism, almost always hostile to certain international powers or to vague and abstract organizations or groups of powers determined, according to those expressions, to exploit our resources and oppose our development and independence.

These tendencies were used in 1946 merely for electoral purposes, and they spread to large sectors of the population. Since then very few political leaders have dared to publicly reject those emotional outbursts, almost always irrational, out of fear of losing possible voters. However, there are plenty of people who choose to uphold these expressions and by doing so they revive them. We must not forget those groups that take advantage of them for the benefit of their own ideology.

What happened during the past few days when U.S. warships, taking part in joint maneuvers with other Latin American countries, entered a port in the Patagonia clearly illustrates what we have just stated.

It is true that the overall national feeling was aroused as a consequence of the conflict with Great Britain over the Malvinas Islands and of the attitude adopted at that time by the United States. To ignore this would mean disregarding social realities, and it would make no sense to pretend that the Argentine spirit has not been affected by the events that took place during the war and by the painful loss of human lives, especially with the sinking of the SS Belgrano, which is now a matter of criticism and discussion in London itself.

But neither is there any doubt that on this occasion the people's feelings have been cleverly manipulated and a coordinated plan has been implemented to get them to adopt attitudes that only take us off the only paths that, in the international sphere, may be useful to Argentina.

Another matter of concern regarding the incidents that took place in Puerto Madryn is the fact that the people's demonstrations and even the hostilities against the U.S. ships did not stem from spontaneous groups, but were rather the result of actions orchestrated by political and labor union organizations that were even supported by statements made by the provincial municipality and local authorities.

This creates a conflict of power and may lead to confusion among institutions, because there is a difference between the spontaneous expressions of the citizenry and the fac that municipal or provincial authorities interfered in the handling of foreign relation

From far back in history, foreign relations have been a matter strictly reserved for the central power in every part of the world, even in the most decentralized regimes or in those regimes divided into state or provincial autonomies under the confederate or federate system. Any departure from the preeminence of the central power may lead to national dissolution. That is why the respective constitutions and statutes are usually very strict in this regard. The national government cannot allow other branches to set its guidelines in the handling of foreign policy or to adopt concrete attitudes that alter or disregard the central power's faculties.

This does not mean denying the rights which the members of the municipal or provincial organs have in their capacity as citizens, and less still in their capacity as members of a political party, especially if they belong to the governing party, to voice their opinion through the corresponding constitutional channels, in this case the representatives before the National Congress.

Apart from this institutional aspect, the importance of which, however, cannot be disregarded, it should be reiterated that Argentina will not be able to overcome its current pressing problems so long as those tendencies persist in making the people believe that all they need do is to pour out their emotions and resentments against alleged sworn enemies of the country, allegedly engaged in strange associations or international machinations.

Let us not deceive ourselves. What happened in Puerto Madryn by no means has affected the U.S. fleet nor does it represent a positive step for our country. What happened in Puerto Madryn can only satisfy those who are determined to lead us toward circles of international influence quite different from the Western world that, as can be clearly seen on the map, vegetate in hopeless poverty and are plagued by an absolute despotism. But it is of no use to the leaders of sectors engaged in that line of thought nor to those who only seek to obtain votes by any means. Through various political, economic, or cultural banners, irrationalism, combined with childishness, seeks its scapegoat inside and outside the country. In the meantime, nothing is achieved in the task of overcoming material and cultural backwardness.

The president of the nation, for his part, has set things straight by stating that Argentina can choose, as it did, whether to take part in a joint operation. But there is no reason for it to deny the vessels of a country with which it maintains normal diplomatic relations, the possibility to resupply.

## BRIEFS

NEW AMBASSADORS -- Buenos Aires, 30 Aug (DYN) -- The Israeli Government has approved the appointment of Alberto Felipe Dumont as the new Argentine ambassador to Israel. [Summary] (Buenos Aires DYN in Spanish 2100 GMT 30 Aug 84 PY] The Foreign Ministry today disclosed that the EEC has approved the appointment of Luis Ramiro Alfonsin as permanent Argentine representative before this organization. [Summary] [Buenos Aires Domestic Service in Spanish 1600 GMT 4 Sep 84 PY] Carlos Muniz, Argentine UN representative and concurrent ambassador to Barbados, has presented his credentials to Sir Hugh Springer. [Summary] [Buenos Aires LA NACION in Spanish 30 Aug 84 p 5 PY] Buenos Aires, 21 Aug (TELAM) -- The executive branch has appointed Eduardo Lorenzo Simone as the new Argentine ambassador to Guatemala. [Summary] [Buenos Aires TELAM in Spanish 2129 GMT 21 Aug 84 PY]

NATIONAL MEAT BOARD OFFICIALS -- Buenos Aires, 29 Aug (TELAM) -- The executive branch has appointed Nicolas Losano as president of the National Meat Board and Alfredo Bigatti as vice president. [Summary] [Buenos Aires TELAM in Spanish 0304 GMT 30 Aug 84 PY]

## CONGRESS MAY FORCE SILES ZUAZO TO RESIGN

PY171857 La Paz Cadena Panamericana in Spanish 1700 GMT 17 Sep 84

[Text] Very difficult days are ahead for the Democratic and Popular Unity [UDP] government. President Hernan Siles Zuazo will have to resign from the presidency if the Chamber of Deputies proves that some officials of the UDP government have been involved in the drug trafficking.

This statement was made by Oscar Zamora Medinacelli, one of the main leaders of the Revolutionary Front of the Left [FRI], who stated that if Siles Zuazo does not resign when confronted with a situation of this nature, the FRI will seek the annulment of the UDP government.

The deputies are currently studying the report released by Rafael Otazo, former president of the Commission for the Struggle Against Drug Trafficking, in which he accuses Mario Roncal Antezana and Raul Cardona of involvement in the drug trafficking.

Senator Zamora Medinacelli made the following remarks on this problem:

[Begin Zamora recording] The country knows very well that a president involved in a problem as serious as drug trafficking is unsuitable. It is for this reason that the FRI is closely following the development of the political situation and the debates that are taking place in the Chamber of Deputies, which could decide to annul the presidential term should the case be proven. [end recording]

Zamora Medinacelli also stated that the main leaders of the Movement of the Revolutionary Left [MIR] have denounced the involvement of some government officials in drug trafficking.

[Begin Zamora recording] The MIR and other organizations have made public denunciations against Roncal Antezana, who is a former interior minister. They were the first to accuse Minister Roncal of being involved in drug trafficking. Now, the events that late took place have fully confirmed the denunciations made by the MIR.

Now, the president of the Republic, disregarding the denunciations, has kept his political confidence in the minister by ratifying him in his post. It was only a long time afterward that Roncal gave up his posts as personal adviser to the president and as his confidant in the Government Palace. For this reason, the debate in the Chamber of Deputies is gaining more importance, because of the importance of the men involved in [word indistinct].

Then, in addition to the fact that the president of the Republic authorized Mr Otazo to hold contacts with the main drug trafficker in the country, he did not inform the countr about this situation, he did not inform the Congress, and he did not inform any of the national organizations. He only informed the U.S. Embassy. All these facts will be submitted for consideration, and surely the Chamber of Deputies will reach a final conclusion as to whether or not the president is responsible for the involvement of government officials in drug trafficking. [end recording]

## COB CONGRESS INITIATES MORE RADICAL POLICY

PY171832 Paris AFP in Spanish 1904 GMT 15 Sep 84

[By Andres Soliz Rada]

[Text] La Paz, 15 Sep (AFP) -- Analysts gave the opinion in La Paz today that the victc of the radical over the moderate trends in the labor movement at the Sixth National Congress of Bolivian Workers, which closed in Cochabamba (central part of the country) yesterday, will initiate a new stage, still harder and more difficult, in relations between the government and the workers of the country.

The main result of that situation was marked by the almost total removal of the co-governing Communist Party (PC, pro-Soviet) from the Executive Committee of the Bolivian Labor Federation (COB). The committee is now made up of a coalition of leftists and socialists, led by the veteran labor leader Juan Lechin Oquendo.

Lechin Oquendo's Revolutionary Party of the Nationalist Left (PRIN) has seven members in the Executive Committee, and independent leftists have an equal number.

The Labor Movement of the Revolutionary Left [Movimiento de Izquierda Revolucionario-Laboral -- MIR-L], a faction of the cogoverning MIR led by Vice President Jaime Paz Zamora, has appeared as an important force in the COB and it is very critical of Siles Zuazo. The second most important post in the COB, that of secretary general, is held by factory worker Walter Delgadillo, the head of the MIR-L.

The factions that oppose President Hernan Siles Zuazo have united in the so-called Unitary Revolutionary Directorate (DRU), which received invaluable support from peasant leader Genaro Flores Santos, who with his 65 delegates tipped the scales against the government parties.

Despite this situation, Lechin Oquendo's victory was the hardest won in his 40 years as a labor leader during which time he has become used to winning unanimously. This time he won with 47.8 percent of the vote, against the pro-Soviet Communist Simon Reyes, who obtained 32 percent. It is believed that Lechin could once again have won unanimously, but that he preferred to sacrifice this new triumph to his strategy of reducing to a minimum the PC's share in the leadership of the national labor movement.

Mineworker Filemon Escobar, another prominent figure in the Bolivian labor movement, also remained outside the COB leadership for having supported the PC and the rest of the delegates of the government parties.

The congress did not approve salary demands or immediate measures of struggle, leaving it up to the new COB Executive Committee to plan such pressure activities. The committee, however, will be tied, at least theoretically, by a political statement of the congress which will commit it to defending the present democratic progress.

It was observed that the leftist victory in the COB might upset the precarious stability of Siles Zuazo's regime, which is harassed by the Private Businessmen's Confederation, a parliament with the opposition in the majority, and by demands for regional decentralization, mainly voiced by Santa Cruz Department in eastern Bolivia.

FIGUEIREDO TO FLY TO SAO PAULO FOR MEDICAL EXAM

PY180100 Brasilia Domestic Service in Portuguese 2200 GMT 17 Sep 84

[Excerpts] President Joao Figueiredo will travel to Sao Paulo tomorrow where he will undergo a medical exam at the Beneficiencia Portuguese Hospital to identify the origin of the trouble he is having with his spine.

This information was disclosed by presidential spokesman Carlos Atila who added that the president will return to Brasilia the same day but that all his audiences for tomorrow have been canceled.

During the past few days the president has been feeling constant pain in his back and down his leg and following the advice of physicians (Newton Mattos) and (Paulo Niemayer) has decided to undergo a medical exam.

According to Atila, it is important that the president undergo this exam because the pain has increased and lately has affected his right leg. Atila also stated that from the clinical point of view the president is in very good shape.

The presidential spokesman added that the pain has worsened as a consequence of the constant effort made by the president during the past few days and that his activities for the month of October, undoubtedly, will have to be reduced.

ITAMARATY SEEKS TALKS WITH 'RICH NATIONS' ENVOYS

PY131200 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Sep 84 p 24

[Text] Brazilia -- Over the past few days, Itamaraty has called the ambassadors from the richest nations in the world to exchange ideas regarding subjects to be discussed at the Mar del Plata Conference, and in due time at the meeting between developed and developing nations. The Foreign Ministry also wants three countries to be invited to sit at the table of the rich countries: Switzerland, Sweden, and Spain.

The ambassadors have been called by Itamaraty Secretary General Carlos Calero Rodrigues. During the talks, Calero mentioned among the fundamental subjects to be discussed at the meeting with the rich, the increases in interest rates and protectionist measures. The idea of seeking an ingenious formula to prevent the interest rates from increasing so much, as has been happening, was brought up. Brazil would also like to see, because of the interest rates increase, the possibility of adopting some mechanism capable of eliminating the consequences, which are so harmful for the developing nations.

Calero did not explain very clearly to the ambassadors whether he was revealing merely a Brazilian position or whether he was speaking on behalf of the Consensus of Cartagena made up of 11 delegations that are participating in the meeting, which are, in addition to Brazil: Argentina, Mexico, Venezuela, Colombia, Peru, Ecuador, Uruguay, Chile, Bolivia, and the Dominican Republic. It is understood, however, that Brazil will not adopt initiatives that will not be supported by the other members of the Consensus of Cartagena. This step taken by Brazil has been interpreted in Brasilia as an effort to take to Mar del Plata, at the meeting of the 11 which will begin tomorrow, something more concrete regarding the talks with the industrialized nations.

The inclusion of Switzerland, Sweden, and Spain at the table of the rich countries squares with different opinions. Switzerland is seen as an important world financial center where the Bank for International Settlements [BIS] is headquartered. Moreover, it is a neutral country.

Sweden has been selected because in addition to being an important Nordic nation, it offers a significant financial contribution to the developing nations, which demonstrates its special interest in the fate of these countries. And Spain, because it is linked by old, natural, and strong ties with Latin American countries, especially the Spanish-speaking nations, former Spanish colonies in the distant past. It would thus serve as a privileged interlocutor. Calero Rodrigues told the ambassadors which called on him that Brazil and the other 10 members of the Cartagena Group are not looking at the meeting with the rich nations as "an opportunity to negotiate, but to meditate jointly about common problems." During the talks, Calero tried to create a climate of political goodwill, and to eliminate the fears they could have regarding the meeting with the Latin American group.

Speaking to the press a week ago, a high-ranking economic adviser to Foreign Minister Saraiva Guerreiro said that the Cartagena Group wants to alert the summit conference about the risks. He admitted that the presidential succession in the United States represents an obstacle for the realization of the meeting immediately. Calero reaffirmed these ideas during the talks with the foreign ambassadors.

MONETARY COUNCIL ADOPTS FINANCIAL MEASURES

PY141820 Rio de Janeiro O GLOBO in Portuguese 13 Sep 84 p 24

[Text] Brasilia -- The National Monetary Council [CMN] approved on 12 September a package of measures consisting of 10 resolutions, 3 circulars, and 2 decree-laws. As a result, the foreign currency deposits registered in the Central Bank are frozen until 31 December 1984. Thereafter, the deposits, which amount to $6.3 billion, will be released during the January-April period.

The objective is to prevent an increase in the cost of internal loans from causing a run on those foreign currency deposits that will be a means of obtaining lower domestic credits as a consequence of the set of measures approved by the CMN on 12 September. The freeze of these foreign currency deposits precludes the possibility of such a run.

The CMN imposed higher taxes on open market operations transacted by individuals or corporations, so that the necessary transfer of fiscal funds can be made to the monetary budget this year. The new taxes will be escalated in favor long-term operations in the open market, and to bring in additional fiscal revenues on the order of 70-80-billion cruzeiros, according to estimates made by Secretary of Federal Revenues Francisco Dornelles.

1. Deposits in Foreign Currency.

A. Deposits registered under Resolution 230, represented by resources voluntarily deposited by banks that borrowed foreign funds through Resolution 63, are hereby frozen until 31 December 1984. Until that date, only funds for the financing of debts by public enterprises and payments of foreign contracts will be released. From January through April 1985, 25 percent of the balance of these deposits will be liberated each month.

B. Deposits registered under Resolution 432, represented by resources voluntarily deposited by enterprises that obtained foreign loans through Law 4131, are submitted to the same rules set down for deposits under Resolution 230.

C. In the case of Resolution 595, referring to resources borrowed abroad through Resolution 63 (swap operation), 75 percent of which are obligatorily deposited in the Central Bank, only the schedule to begin the gradual lifting of the blocked deposits is postponed.

Beginning in January 1985, these resources will be released by 33 percent during the first 60 days, 33 percent during the next 30 days, and the remaining 33 percent in the following days.

2. Tax on the Open Market.

The measures approved on 12 September by the CMN will become effective 5 days after their publication in the OFFICIAL GAZETTE, changing the single 8 percent income tax now being charged on profits from investments in the open market by individuals and corporations. For up to 30-day investments, the tax percentage will be 10 percent; for 31-60 days, 8 percent; and for 61-90, 6 percent.

3. Investment in Public Securities.

Open or closed private funds for social assistance and insurance companies will have to invest 35 percent of their technical reserves in federal public securities, and 10 percent in state public securities. Before, these institutions had to invest only 20 percent of their technical reserves in public securities, whether they were federal or state papers. The percentages for maximum investment in private securities, stocks, or debentures were not changed. A deadline of 15 November is set for adjusting the percentages for federal securities, and of 15 December, for state securities.

4. Mutual Funds.

Mutual investment funds in general are now divided in two types: investments mutual funds and fixed income mutual funds. Before, mutual funds had to invest 60 percent in stocks and debentures and 40 percent in securities, including 16 percent in federal public securities [Readjustable National Treasury Orders and National Treasury Letters].

With the CMN decision, the stock mutual funds will be composed of 70 percent minimum investment in stocks and the remainder, whatever it is, in federal public securities, one third in National Treasury Letters [LTN]. Withdrawals from these funds are not limited.

The fixed income mutual funds will apply 30 percent in LTN, 30 percent in Readjustable National Treasury Order, and 30 percent in debentures that can be converted in stocks. The last 10 percent can be invested in other securities, provided 1 percent goes to state-floated papers.

5. Legal Reserves.

The CMN raised from 10 to 22 percent the legal reserve on time deposits in banks. The difference between 10 and 22 percent will be represented in federal public securities. The current 10 percent legal reserve can be maintained in cash or in public securities as well. The deadline for compliance with these rules that will be gradually implemented ends on 15 November. Legal reserves now represent 2 trillion cruzeiros.

Another measure that will create a large market for federal public securities is the modification of Resolution 366 so that financial institutions, which could formerly negotiate with private securities subject to a purchase back clause by an amount of fivefold their capital plus reserve, must henceforth reduce such operations to one more time their capital plus reserve. Compliance with this rule will gradually be completed by 31 January 1985.

6. Agricultural credit.

The CMN also authorized investment banks and financial outfits to offer agricultural credit that will be insured by [Agriculture and Livestock Activity Support Program] [Proagro] and exempted from the Financial Operation Tax [ICF].

7. Interests on Readjustable National Treasury Order.

The method for calculating interest on the Readjustable National Treasury Order [ORTN] will be made every 6 months instead of every month as it is now done.

GOVERNMENT TO INCREASE SUPPORT TO PDS CANDIDATE

PY171405 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 17 Sep 84

[Report from Brasilia by Carlos Rodrigues]

[Excerpt] Civil Household Chief Leitao de Abreu has stated that the government will give greater support to deputy Paulo Maluf, Social Democratic Party [PDS] candidate for president of the Republic.

Leitao de Abreu denied that the government will put its administrative apparatus at the service of Maluf, but added that within the next few days, Tancredo Neves' supporters will feel the federal government's greater support to the PDS candidate.

NEVES RALLIES IN GOIANIA REPORTEDLY DRAW 500,000

PY151511 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 15 Sep 84

[Excerpts] The opposition was [words indistinct] divided yesterday in two rallies. In Goiania, with the presence of personalities of the Democratic Alliance that support the presidential candidacy of Tancredo Neves, a pro-indirect election rally was held. In Belo Horizonte, with less political [words indistinct], the people continued shouting, demanding that direct elections be held now. The two factions stoned each other because of the stands they currently endorse. [sentence indistinct] No accidents were reported and nobody was hurt.

The rally held in Goiania, which was supported by the state administrative apparatus, was labeled as a real success. Concerning the turnout [words indistinct] different opinions: A minimum of 200,000 persons to a maximum of 500,000 persons, according to press estimates.

The top leaders in attendance were dazzled with all the things that happened and all the things they saw. From Brasilia, reporter Carlos Rodrigues will report now on this point:

[Begin Rodrigues recording] On 14 September the attention of the political leaders in Brasilia turned to Goiania where the first big rally of the national campaign of former Governor Tancredo Neves, the opposition presidential candidate, was held. Opposition leaders, who stayed in Brasilia, are optimistic concerning the results of the rally in Goiania. These leaders have stated that the series of rallies and demonstrations, which are (?gaining momentum), will end in the victory for the candidacy of Tancredo Neves, even if the elections are held at the Electoral College. [end recording]

FINANCE MINISTER ANNOUNCES NEW ECONOMIC MEASURES

PY180230 Santiago Domestic Service in Spanish 0115 GMT 18 Sep 84

[Finance Minister Luis Escobar Cerda's speech to the nation in Santiago]

[Text] Good evening. Following instructions from his excellency, the president of the nation, I will speak to the nation to announce the implementation of several important economic measures and to explain their motives and meaning. These are the measures:

A. A devaluation of the Chilean peso vis-a-vis the U.S. dollar, which means that as of tomorrow the current exchange rate of 93 pesos per dollar will increase to 115 pesos per dollar. This exchange rate will be adjusted in the future through the same corrective mechanism that is currently in effect.

B. The customs tariff will be increased to the maximum 35 percent permitted by the international accords which Chile has entered into. This means that Chile will return to the implementation of a blanket customs tariff of 35 percent. The average customs tariff currently in effect is 21.4 percent, which means that there will be an 11.2 percent increase in the cost of imported goods.

C. A draft bill will be submitted to the honorable government junta proposing the establishment of additional incentives for exports through a global and equal drawback [preceding word in English].

D. The honorable government junta will be asked to suspend in 1985 the implementation of the second phase of the tax reform, thus delaying its enforcement until 1986.

E. The 1985 budget will be prepared with austerity and savings in mind, with regard to both income and expenditures. For example, the 10 percent reduction of expenditures for assets and consumer goods recently ordered by his excellency the president of the nation for the second half of 1984 will be carried over into 1985. Practically all requests from public institutions that imply an increase in normal operating costs will be rejected. This will allow us to cover basic requirements and expenditures involved in creating more productive jobs.

F. As of 1 January 1985 salary hikes or bonuses will be proposed for public workers aimed at fully offsetting, in the case of the lowest incomes, or alleviating, in the cases of the highest salaries, the effects which the above-mentioned measures will have on the cost of living. The same criteria will apply to private sector workers not included in the collective bargaining system.

The situations forcing us to adopt these measures are well known to the public, national and international, and, without going into great detail, I will rapidly mention them on this occasion. The problem is that the price of copper has fallen to the lowest level in real terms in recent decades, in addition to substantial reductions in the prices of other products the country exports. On the other hand, the international interest rates that are relevant for the payment of the Chilean foreign debt have reached one of the highest levels known in all economic history.

As is known, every cent less in the price of copper signifies nearly $26 million less for the country. Each percentage point increase in the international rate of interest has a negative impact on our balance of payments of nearly $150 million per year. The average price of copper estimated for 1984 in the agreement with the IMF, and agreed on with the IMF, was $0.75 per pound, with an estimated price of $0.85 for the second half of 1984. The reality today is that the price of copper is below $0.60 per pound. In light of this, the country will not earn some $300 million in 1984.

Regarding the international interest rate, this was estimated originally in the agreement with the IMF at 9.5 percent, while today the rate that is relevant for Chile is nearly 12.5 percent, that is, a difference in the order of $450 million over a 12-month period.

As you will recall, when Economy Minister Modesto Collado and I assumed our posts on 2 April of this year, by decision of his excellency the president of the Republic, we thought that the rigorous financial management we intended to implement, and to which we would strictly adhere, would obviate any modification in the rate of exchange of the Chilean peso, because we thought it was at a good level and only the currency exchange policy being applied was inadequate. This attitude was based on the supposition that the price of copper would tend to recoup in accordance with the estimates included in the agreement with the IMF, and that the impact of the international interest rate applied to the Chilean foreign debt would tend to lessen, whether due to the natural fluctuations of the market or because some kind of international agreement would have been reached on this matter. Unfortunately, as is known, nothing of what we expected came to pass.

On the contrary, we have confronted a situation which has deteriorated substantially from the one which existed in April 1984 when we assumed our posts. It suffices to say that we have no control whatsoever over this situation. So we feel frustrated in having to say that despite the excellent management of Chile's economy, and this has been recognized internationally, we are now forced to adopt these measures for the purpose of achieving some results that I will briefly mention.

It is true that we could have postponed adopting these decisions, because by adopting them later, we would have seemed less harsh. However, we decided to act rapidly and in keeping with the credibility that has characterized the economic management of this regime, in order to put an end to speculations on this subject, and to provide a basic element for the process of decisionmaking by economic advisers.

What are the benefits expected from these measures? First, a favorable impact on the country's balance of payments by reducing imports and boosting exports. The government's decision is to give maximum priority, within the recovery process, to the promotion of exports, as reflected in the measures that have just been announced and which are aimed at improving the competitiveness of Chilean goods. The second advantage of the measures adopted will be the reduction of our external dependency, by substantially reducing the size of the additional foreign indebtedness which is necessary for fully complying with the servicing of the foreign debt. The third advantage of these measures will be the acquiring of favorable fiscal revenues since these measures will imply a strong economic recovery with the consequent increase of fiscal income, which this year dropped by more than 20 billion pesos from initial projections. The fourth benefit of these measures will be the improvement of Chile's competitive position vis-a-vis the national productive activities directed both to the internal market and to the maintenance of the recovery that is under way, fulfilling the goal of investments proposed in the 3-year plan that is well known by the public.

But these measures have a cost attached to them. This cost will be the increase of domestic prices and of the cost of living which, as I have already explained, will be fully compensated as of 1 January 1985 for low-income public servants and private sector workers not included in the collective bargaining system.

A serious and responsible fiscal and monetary policy will be a key element in the struggle against inflation.

The above-mentioned measures are aimed at adjusting our economy to the status of the international economy, which is controlled by circumstances beyond our control. These measures do not imply a change in the current direction of our economic policy. On the contrary, they will allow us to continue developing a policy of reactivation with stability for which every mechanism will be used in the same prudent manner in which we have been using them so far.

The government is opposed to a new set of recessionary adjustments and convinced that if we all make an effort the country will maintain its reactivation and will generate new jobs in the production sector, the only way in which the most pressing needs of the people can be satisfied.

The economy minister and I will hold a press conference on Wednesday, 19 September at 1000 in the morning to explain fully these measures which I have briefly outlined to you this evening. Thank you for your attention.

PINOCHET ATTENDS TE DEUM AT EVANGELIC CATHEDRAL

PY171550 Madrid EFE in Spanish 2203 GMT 16 Sep 84

[Text] Santiago, 16 Sep (EFE) -- Chilean President General Augusto Pinochet today presided over a Te Deum celebrated at the Evangelic cathedral in Santiago marking the nation's independence anniversary. The president, his wife, members of the government junta, state ministers, and other high-ranking officials were received by the Evangelic bishops and ministers to the strains of the national anthem sung by the several thousand people who were present in the cathedral and its surroundings.

Juan Diez Calderon, bishop of the Pentecostal Evangelic Missionary Church, Remigio Lopez, bishop of the Chilean Apostolic Christain Church; and Julio Lartony, president of the Lutheran Church, took part in the ceremony. Hugo Gasc, press director of the Council of Clergymen, and Alvaro Yanez, an Evangelic minister, also said prayers.

The Evangelic church Te Deum marking Chile's independence anniversary is a ceremony that has been held since 1974. The Catholic cathedral will also celebrate its traditional Te Deum on the 18 September independence anniversary. It will be presided over by Archbishop Juan Fransisco Fresno. This ceremony on 18 September will also be held in all the Catholic dioceses of the country, except for Concepcion, Talca, Copiapo, and Linares, whose religious leaders have decided to replace it with a mass.

POLICE ARREST 250 ON EVE OF INDEPENDENCE DAY

PY171402 Paris AFP in Spanish 1440 GMT 16 Sep 84

[Excerpt] Santiago, 16 Sep (AFP) -- Chilean police in the last few hours detained 250 people in Santiago during very extensive operations to prevent increased crime over the national holidays commemorating the 147th anniversary of Chile's independence.

The detainees were put at the disposal of the courts by the investigative police. Most of the detainees had pending arrest warrants, lacked identification documents, or had criminal records.

About 1,500 people were questioned by the police in several metropolitan neighborhoods, particularly at places of entertainment, nightclubs, brothels, and in some downtown streets of Santiago.

MINISTRY RENEWS STATE OF EMERGENCY FOR 90 DAYS

PY171916 Santiago Domestic Service in Spanish 1730 GMT 17 Sep 84

[Text] The state of emergency has been renewed for 90 days throughout the country. According to Interior Ministry Decree No 942, which has been published in official GAZETTE this measure will become effective as of 20 September.

The decree also gives the list of commanding and deputy military officers who will be in charge of putting this measure into force in their respective emergency zones. In addition, it establishes that the measures adopted in Interior Ministry Decree No 320 of 1984 will also be applicable that decree says that newspapers, magazines, other publications, radio broadcasts, television stations, and all other media forms in general must retract any report or opinion that, in any manner, promotes or leads to disturbing public order. The ministry, the government general secretariat, and the respective emergency zone chiefs will be in charge of enforcing these measures.

GOVERNMENT COMMUNIQUE REFUTES JOURNALISTS GROUP

PY150305 Santiago Domestic Service in Spanish 2300 GMT 14 Sep 84

[Text] A communique issued by the National Social Communications Agency [Dinacos] states that the full weight of the law will be applied against all sensationalist persons. The Dinacos communique reads:

In view of the declaration issued by the National Journalists Association today, the Dinacos deems it its duty to hereby inform the public:

1. The government categorically rejects this declaration charging high-ranking government authorities with launching indiscriminate attacks against the media.

2. The government maintains that the legitimate use of the juridical tools provided by the legislation currently in force does not represent an indiscriminate attack.

3. A law designed to guarantee state security and the full enforcement of public order and safety has been in force since 1958 and no person, group, or sector should try to exempt themselves from this law. Likewise, the law regarding the abuse of publicity has been in force since 1967 and its amendments have only sought to comply with the terms of the Constitution.

4. It is the prerogative of the attorney general to make use of juridical tools provided by the law and any person who has been indicted has the right to defend himself before the court.

5. No one has ignored the abuses carried out by certain sectors of the media in the past and the citizenry is aware of the attempts made by some sectors of the media, currently in circulation, to once again engage in shameful practices such as attacking the honor of some persons and their families, of constantly and systematically discrediting basic institutions of the Republic, and of distorting the truth.

6. The government will strictly apply the full weight of the law to those who intend to profit from sensationalism, from the people's honor, and from lies, and it will not hesitate to take all the measures it is entitled to in compliance with the Constitution. The nation's welfare demands this.

## GOVERNMENT RULES OUT LIFTING STATE OF SIEGE

PA172002 Paris AFP in Spanish 1719 GMT 17 Sep 84

[Text] Bogota, 17 Sep (AFP) -- The government of President Belisario Betancur today ruled out lifting the state of siege soon and indicated that the country's public order situation "does not permit such an action."

Government Minister Jaime Castro announced this at the end of a security council meeting that was presided over by Betancur and that reviewed the public order situation throughout the national territory.

Although the session was secret, Defense Minister General Gustavo Matamoros admitted that he was leaving his position and that the government is concerned about the increase in the crime of kidnapping once again. Some 92 people have been kidnapped in Colombia this year.

The two ministers stated separately that the guerrilla groups have fulfilled the truce agreements they have signed with the government but Matamoros said that "there are signs of uneasiness." However, he did not specify who is responsible.

Castro indicated that the state of siege established in Colombia on 1 May after the assassination in Bogota of Justice Minister Rodrigo Lara will not be lifted "at least for now."

He noted that abnormal situations of public order such as kidnappings and attacks by dissident guerrilla groups "do not in any way help consolidate peace and therefore delay the lifting of the state of siege."

## FARC, ADO SEEK UNIFICATION OF REBEL GROUPS

PA171550 Bogota EL SIGLO in Spanish 11 Sep 84 p 3

[Report by EL SIGLO staff reporter Alvaro Almanza; all rebel organization names as published]

[Text] The General Staff of the Revolutionary Armed Forces of Colombia (FARC) and the leadership of the Workers Self-Defense (ADO) in a joint declaration reiterated their intention to participate in the so-called national dialogue and to help in achieving the reforms for the democratic opening, after last week's meeting in the mountain ranges of the southern part of the country.

The two guerrilla groups pointed to the need for unity as the foundation of the democrats as well as revolutionaries, to guarantee the definite consolidation of peace in the country, for which they announced their intention to unify the subversive groups operating in different areas of the national territory.

"Aware that the only guarantee for our fatherland to achieve a future of peace, with dignity and justice, is the unity of all democrats and revolutionaries interested in joining efforts to solve the serious economic, political, and social problems affecting our people, the FARC-EP and the ADO are taking steps today toward the unity of the revolutionary movement," says the text of the joint communique released by the two guerrilla groups.

Manuel Marulanda Velez, Jaime Guaraca, Jacobo Arenas, and Raul Reyes represented FARC, while ADO was represented by Esteban Zamaro, Miguel Angel Marquez, and Carlos Efren Agudelo at the meeting.

The so-called ADO movement supported the recommendations made several days ago by the FARC General Staff and the Peoples Liberation Army [EPL] national command, on the need to lift the state of siege as an elemental guarantee for the national dialogue, in which the popular, economic, political, and social sectors throughout the country will participate. "We reiterate our faith in the agreements reached first in La Uribe and which led to the most recent ones, signed with the Communist Party, the FPL, as well as the ADO and the 19 April Movement [M-19], as a step forward in acquiring the demands needed by our people," states the communique released yesterday by the two subversive organizations who this way reiterate the decision of all fronts to comply with the pacts signed with the National Peace Commission and the Negotiation and Dialogue Commission.

Meanwhile, the two guerrilla groups point out their intention to promote and participate in a guerrilla summit to be attended by all commanders of the subversive columns, including the Army of National Liberation [ELN], who have refused any contact with the representatives of the government to discuss a cease-fire agreement.

Elsewhere, the general staff of the Isaias Pardo second front, of the FARC-EPL, in the last few hours has sent a note to the president of the Republic, Belisario Betancur, expressing that some kidnappings reported in Huila and Caqueta Departments were not committed by members of this organization, but by paramilitary groups trying to obstruct the peace process.

CHILEAN EXILES ALLOWED TO REMAIN IN COUNTRY

PA172345 Paris AFP in Spanish 1548 GMT 17 Sep 84

[Text] Bogota, 17 Sep (AFP) -- Colombia announced today that it has authorized six Chileans, who have been banned from returning to Chile by General Augusto Pinochet's regime, to remain peacefully in Colombia.

Colombian Foreign Minister Augusto Ramirez said that "they can stay in Colombia" when the national airline Avianca refused to take them to Santiago in accordance with international regulations.

"The six Chilean leaders have been authorized to stay in Colombia as long as they think it is advisable," the foreign minister said, adding that they have been given the necessary documentation.

He noted that Eduardo Condeza, Jaime Gazmuri, Jorge Arrate, Luis Gustavino, Eduardo Rojas, and Jose Barros will not be treated as "exiles," because "we Colombians do not like" this international political status.

Ramirez also explained the Colombian Government's position regarding airlines, stating that it cannot force them to transport people to a country whose authorities refuse them entry.

Avianca refused to take the Chileans to Santiago on Wednesday, stating that it was complying with instruction from Pinochet's regime with regard to International Air Transport Association [IATA] regulations.

ALFONSO LOPEZ MICHELSEN MEETS ROMANIAN OFFICIALS

For AGERPRES Reportage on former Colombian President Alfonso Lopez Michelsen's visit to Romania, including his meetings with Gheorghe Radulescu, vice president of the State Council of Romania, Nicolae Giosan, chairman of the Grand National Assembly, and Vasile Pungan, minister of foreign trade and international economic cooperation, see the Romania section of the 18 September Eastern Europe DAILY REPORT and subsequent issues.

COLORADO PRESIDENT ADDRESSES PARTY CONVENTION

PY162200 Asuncion Cerro Cora Sistema Nacional Television in Spanish 2000 GMT 15 Sep 84

[Colorado Party President Juan Ramon Chaves' speech to the party convention for the election of the new party directorate at the Ignacio A. Pane Theater in Asuncion -- live]

[Excerpts] Honorable conventioneers: The current party directorate, which was elected at the ordinary convention on 19 September 1981, held its first session on 23 September when the party's authorities were elected. In accordance with the provisions of Articles 9 and 18 of the party statutes, and on behalf of the honorable party directorate, I have the pleasure of offering for your consideration the report on the activities of the 1981-84 period.

Before reporting in detail all the work that the party directorate has accomplished during its term in office, I want to analyze some fundamental problems of interest to the nation, the government, and the Colorados in general.

Politics in its broadest definition encompasses all aspects of the affairs of a nation. I will generally explain to you the state of our internal politics. This directorate has completed its term in office in complete unity of thought and action, due to its identification with the political and social program of the national government and through the permanent action of the members of the directorate, the auxiliary organizations, and all the Colorado chapters of the Republic.

There are four political parties of importance on the national scene. First there is the National Republican Association, known as the Colorado Party, which has deep popular roots and whose founders emerged from the conflagration of the 1864-1870 war in alliance with the people to continue defending the fatherland in times of peace. From this standpoint, our party has always acted on behalf of the people, and its democratic spirit is based on its strong and real representation. The policy of the Colorado Party is continuously changing, according to the times, with programs that include the fundamental principles of the people under the dogma of an authentic democracy, without ever having compromised with international communism.

The Radical Liberal Party split from the Liberal Party, which was founded in 1887 under the name of the Democratic Center. The Radical Liberal Party came into being in 1962, and it is registered as a political party with the Central Electoral Board. It participates in national political affairs through its leaders and followers, and its charter and its leaders' proclaim its adherence to the democratic system and to the repudiation of any communist regime.

The Liberal Party follows the line of the original Liberal Party, in terms of division and dismemberments. Before the 1904 revolution, the founders of the Democratic Center split into two groups: the Civic and the Radical. The latter adopted the name Liberal Party, and this name was retained until 1961. In the general and municipal elections, its members have gained seats in the Senate.

The Revolutionary Febrerist Party was created after the Chaco War, on 17 February 1936, without any experience in public affairs and without any followers. This political party adopted the Nazi-fascist ideas that prevailed in those uncertain times, and rallied behind Decree 152, which suppressed the political parties. This and other errors caused its downfall. The actions of this party have turned out to be failures both inside and outside the country. It has never served the cause of Praguayan democracy.

The Christian Democratic Party became a political party in 1960, but it has not been recognized by the Central Electoral Board, for the simple reason that it cannot produce a list of 10,000 members, as required by the electoral law. In the various manifestos that it has published so far, it has maintained the outmoded criterion of hostility as a political instrument. It cannot accept peaceful coexistence and, consequently, its leaders are continually using antidemocratic methods. Without knowing who they represent, its leaders are resorting to sophism to deceive public opinion in the hope of coming to power. This is a remote and unrealistic hope.

The Popular Colorado Party is not a political party, and even less a sector of the Colorado Party, because its 20 members are outcasts from the Colorado Party for indiscipline and for the accusations made against President Stroessner in their proclamations. Some of these people returned to the country in recent months and rather than acting prudently, they began to seek unity with our political adversaries. So they joined another negative association known as the National Accord.

The National Accord is a group that formed in the country in 1978. It is a conglomerate of the Authentic Liberal Party, the Revolutionary Febrerist Party, the Christian Democratic party, and the Popular Colorado Party, or Mopoco. The National Accord has no leaders and no followers, and not even a political program. It upholds the strange theory that democracy has no borders, and following this mistaken concept, its members launched from abroad an opposition movement that is unwarranted and has no basis for the falsehoods they proclaim. This small political clique demonstrated its real intention among the masses in 1984. No democratic orientation can be found in the propaganda from its few leaders, only the intention to bring down the national government. To this effect, they resort to despicable lies, and to crown their nonsense, they have declared that the National Accord is an ally of the Communist Parties of America and Europe.

To support my assertion, I will quote the words of their leaders. In August 1983, the National Accord published a pamphlet under the name of the Executive Board of the Paraguayan Accord in Exile that stated the need for committees of the different groups to meet in Madrid, Spain, to plot the struggle against the government of President Stroessner. In another pamphlet issued the same year, the National Accord attacked the President of the United States of America, Ronald Reagan, for the aggression against the small Caribbean island of Grenada. We all know that the policies of Ronald Reagan are intended to defend the American countries from communist infiltration from the Soviet Union and the Cuba of Fidel Castro. The National Accord has clearly revealed itself to be Marxist. In another pamphlet, No 2, in July 1984, a few months ago, the National Accord praised the 30th anniversary of the assault on the Moncada Barracks in Cuba, which was led by Fidel Castro. These bad Paraguayans are allied with the communists who are imposing suffering on the fatherland of Jose Marti. Although the representatives of the National Accord give signs of being Marxists, they still attempt to convince the Paraguayan people [they are democrats]. They are wrong because the government is headed by a loyal nationalist, General Stroessner, and a Colorado Party that will not allow the victory of any procommunist faction in the country. So, conventioneers, you can pass judgment on these dangerous subjects of the National Accord. [applause]

Concerning the suspension of the newspaper ABC COLOR, you all know that the publication of this newspaper was suspended on Thursday, 22 March 1984. This measure was not adopted by the government arbitrarily, but represented the application of constitutional provisions, in defense of social peace and the interests of the Paraguayan people.

For several years, the pages of ABC COLOR had carried expressions of hostility against the national government, with no praise for any action of the government, no matter how important or necessary for the country's general progress. It only collected on its pages the opinion of its writers, which have always been unfounded, tendentious, and sectarian. It carried false news to confuse the public, and brazenly transformed information into a hostile force against the government with the unconcealed objective of preparing a climate of subversion and discord.

One day it reported that the chief of police had resigned and, since no attention was paid to it, 2 days later it published another lie, that a general from the Military School would replace the police chief. Its pages were never made available for the opinions of intellectually capable persons versed in our national problems. But it gave broad coverage to dubious information, with the intention of undermining public opinion. There is complete freedom of the press in our country, but this freedom cannot be protected when the public is lied to and when the press supports and amorphous and heterogeneous political sector by serving as the mouthpiece of this sector's illegal and anticonstitutional publications.

For months, ABC COLOR supported the antidemocratic opposition gathered under the National Accord, the 20 former Colorados in the Mopoco, the headstrong political actions of the Revolutionary Febrerist Party under the influence of the Socialist International, the publications of the Authentic Liberal Party, and anything the Social Democratic Party had to say. As soon as Euclides Acevedo, Domingo Laino, or Miguel Angel Gonzalez Casabianca [leaders of the Revolutionary Febrerist Party, the Authentic Liberal Party, and Mopoco, respectively] went to Spain, France, or Sweden, the dispatches on the declarations of these false apostles were published in ABC. The formation of a strange political forum to consolidate democracy in the southern cone was encouraged in the pages of ABC COLOR, which did not report that the deputy prime minister of the Spanish Government, Alfonso Guerra, had expressed support for the choice of elections as the appropriate way to consolidate democracy. ABC COLOR did not criticize the meeting of that forum in Paraguay, perhaps because the writers of ABC COLOR did not know that these groups, lacking organization, do not have followers among the people; that is, they lack genuine representation and cannot speak of democracy in the southern cone.

I have just told you how ABC COLOR defended the communist regime headed by Fidel Castro in Cuba. In view of the suspension of ABC COLOR, I will tell you, dear fellow party members, that the period of revolutions, coups, hatred among political factions, and terrorist and guerrilla violence will not return to our country. We have achieved peace in order to promote and to harmonize our important collective interests. A good and free press to serve the popular cause will be defended by the government and the Colorado Party. [applause]

Today more than ever before, we have to explain the mission of the Armed Forces and the police, because several mass media from the Americans and from Europe have circulate reports based on misinformation on the role played by the Army and the police in our country.

For the sole purpose of criticizing the government and the Colorado Party, the opposition has maintained a thesis that is inconsistent with our true character.

The people can bear witness that the Army is not the government and that, following the new political orientation that we have adopted for the past several decades, neither the Army nor the police have been at the service of a group of poeple or of military men. No, they are at service of the nation. We no longer resort to the Army to settle disputes dealing with politics or personal ambitions. This is a tangible fact. [applause]

That the military have a political opinion of their own, in this case of the Colorado Party, is not cause for them to be branded as militarists. At no time have they organized general or municipal elections. Under no circumstances will they impose their candidates in the 223 Colorado Party branches. Even if they are Colorado Party members, they may vote as such but cannot maintain that they vote as military men. [applause]

Central America has put the fate of democracy in the Americas in the balance. The Soviets seized Cuba in 1959. Nicargua fell into communist clutches due to the weakness of democratic countries. A struggle is going on in Namibia, Africa, to prevent Angolan communists from seizing that immense territory. South Africa is alone in this struggle. There are 20,000 Cuban communists in Angola in the Kremlin's service. Fortunately, a strong and courageous leader has emerged in the United States, Ronald Reagan. [applause] He is fully aware of the Central American problem. In the opinion of this great American, the United States will not allow the USSR to seize Central America with Cuban help. Let us help him. [applause]

I am pleased to inform the convention that an increasingly strong ideological unity has emerged among our fellow party members. Both full and alternate members of the party government junta have always advocated unity within the party. Taking into account the national interest, we Colorado Party members cannot split up in opposing factions, because a division would weaken our morale in the eyes of the people. Fortunately, in the last municipal elections and in party rallies we have confirmed that unity prevails within our party, I believe that party unity should not be the task of the government junta alone but of all Colorado Party members. [applause]

As a ruling party, we have had to work with the national government in several areas of national interest. The executive branch has always respected the government junta.

Convention delegates, it is you who willpass judgment on the actions that we undertook during this 3-year term. You are free to make your decision. That is all.

## BRIEFS

NEW ISRAELI AMBASSADOR — This morning President Alfredo Stroessner received the credentials of David Morag, new Israelie ambassador to Paraguay. [Summary] [Asuncion ULTIMA HORA in Spanish 12 Sep 84 p 11 PY]

ROK CONGRESSIONAL VISIT -- Today a delegation of congressmen from the ROK started a visit to our country which will include meeting with government officials, among them Interior Minister Carlos Saldivar, Senate President Juan Ramon Chaves, Chamber of Deputies President J. Augusto Saldivar, and President Alfredo Stroessner. The delegation that arrived from Buenos Aires will also visit other Latin American countries. [Summary] [Asuncion EL DIARIO NOTICAS in Spanish 3 Sep 84 p 8 PY]

BELAUNDE TO DISCUSS FOREIGN DEBT ISSUE AT UN

PY171600 Lima Cadena Panamericana Television in Spanish 0145 GMT 17 Sep 84

[Text] It has been confirmed that the foreign debt problem of the Latin American countries will be discussed by President Fernando Belaunde at the United Nations. This report was confirmed today by the prime minister and by Economy Minister Jose Benavides, who has returned from Buenos Aires.

[Begin Benavides recording] On that occasion, the president will refer to the Latin American concern over the loss of the sense of urgency by the industrialized countries regarding the payment of the foreign debt. Events have demonstrated that these countries have forgotten that this is a problem that needs urgent solution. The president of the Republic will also say that the increase in the interest rate immediately following the meeting in Cartagena aggravated the negative consequences derived from the extremely high interest rates.

President Belaunde will additionally refer to the protectionist and other restrictive measures that have been intensified, except for isolated cases such as the recent U.S. decision regarding copper imports. He will say that these measures increase the adverse effects not only against our capabilities to export, in the first place, and to import consequently, but also to deal with the foreign debt problem, because they prevent us from obtaining the necessary currency to pay our debts, especially for imports of industries, and also because they limit the achievement of resources for development.

He will reaffirm the need for dialogue as a fundamental factor for understanding. It is appropriate to note that the specific problem of the foreign debt must be solved through understanding.

BELAUNDE TO RESTORE CONSTITUTIONAL GUARANTEES

PY171508 Lima Cadena America Television in Spanish 0330 GMT 16 Sep 84

[Excerpts] President Fernando Belaunde today expressed his hope to reestablish the constitutional guarantees at the beginning of October. The president has called on all citizens to do everything possible to provide the appropriate conditions to fulfill this hope. Belaunde expressed his wish during the ceremony marking the 62d anniversary of the Peruvian Investigative Police [PIP] at the PIP school.

[Begin recording] President Belaunde today announced the possibility of reestablishing constitutional guarantees throughout the country in order to create the appropriate conditions for the realization of the forthcoming elections. He made this announcement during the ceremony marking the 62d anniversary of the founding of the Peruvian Investigative Police. [end recording]

Interior Minister Luis Percovich also stated that the situation in the country will be assessed this week in order to decide on the reestablishment of the constitutional guarantees.

BLANCO PARTY CANDIDATE REVEALS GOVERNMENT PLAN

PY140242 Montevideo Radio Carve in Spanish 0000 GMT 14 Sep 84

[Text] The National Party claims that the Naval Club agreement is null and will not be implemented if it wins the elections. Dr Alberto Zumaran made this statement when discussing his future government plans if he wins the elections for president of the Republic.

The National Party candidate for president stated that his party is not in a confrontation with the Armed Forces, and he announced three basic measures of the political plan, which are: nationalization of the banks, agrarian reform, and expansion of Uruguay's international trade. Among other things, Zumaran stated:

[Begin recording] The Naval Club agreement is null. Twelve persons cannot change the Uruguayan Constitution. It only binds those who signed the agreement. We will not implement any of its repressive institutions.

There are more serious problems than those indicated previously: domestic impoverishment, foreign dependency, unemployment, reduction of the real salary, the miserable severance pay plan, and all that remains of the social structure, which collapses when the foundations of the productive apparatus crumble. These foundations are made up of the health, housing, and education programs.

To improve the situation of extreme poverty in which the great majority of the nation is immersed, we will launch a plan aimed at the immediate reactivation of the economy, a plan agreed upon and aimed at accelerating the creation of new job opportunities and improving the workers' purchasing power.

To achieve this, we must implement a tax reform to be imposed on the rich sectors, which have received most of the income over the past few years, and we must reduce the tax burden on the consumption of essential goods to make them more accessible to the poor.

We will restructure public expenditures. We will increase expenditures in the social sector, such as in social security, education, health, and popular housing, within an order of priorities agreed upon by the interested persons themselves. And we will reduce unproductive expenditures.

Regarding the Armed Forces, we can say that we are not in a confrontation with the Armed Forces. They are also Uruguayan people. But we must be very clear. Sincerity and truth are indispensable elements to achieve national reconciliation. The Armed Forces must be subordinate to the national authorities elected by the people. The commander in chief of the Armed Forces will be the president of all Uruguayans. I am not saying Alberto Zumaran, I am saying the institution, the president of the Republic. This is provided for by our nation's Constitution. The promotions of colonels and of the other higher ranking officers will comply with the provisions of the national Constitution. These promotions will be made by administrative order, in accordance with the professional nature of the service. [end recording]

Dr Zumaran then referred to his three concrete proposals to achieve Uruguay's future development.

[Begin recording] To achieve the great national objectives, we must make some structural changes, three in all: reform the agriculture and livestock sectors, nationalize the banks, and expand Uruguay's international trade. These three basic reforms are indispensable. There will be others, especially in the industrial sector, which must develop horizontally, by branches, seeking a profound development in preselected sectors.

We must also reform the state bureaucratic apparatus to make it more effective, and especially the social program: social security, health, education, popular housing, culture, and the means of communications. But if we do not achieve these three basic changes, agrarian reform, nationalization of the banks, and foreign trade, we will not achieve any of the others. [end recording]

## Party Begins Electoral Campaign

PY171301 Buenos Aires TELAM in Spanish 0103 GMT 17 Sep 84

[Text] Montevideo, 16 Sep (TELAM) -- The National Party tonight began here its electoral campaign for the upcoming 25 November general elections with a rally which approximately 80,000 people participated.

There were no incidents at this party's first rally. The party members who addressed the crowd were: Juan Raul Ferreira (the son of imprisoned leader Wilson Ferreira Aldunate and Carlos Julio Pereira, who are candidates for senators; and the presidential and vice presidential candidates, Alberto Zumaran and Gonzalo Aguirre, respectively.

The rally was held 3 months after Ferreira Aldunate was arrested upon returning to the country after 11 years in exile. The speakers and the crowd demanded the release of their leader. They also demanded a general amnesty and the lifting of all political proscriptions, among other things.

The speakers, especially Ferreira's son and the presidential candidate, emphasized various aspects of the National Party's economic and social platform, especially the agrarian reform project, tax measures, and the nationalization of banks.

## POLLS SHOW BROAD FRONT FAVORED IN MONTEVIDEO

PY131451 Paris AFP in Spanish 1450 GMT 12 Sep 84

[Text] Montevideo, 12 Sep (AFP) -- According to two opinion polls conducted by different organizations, the leftist coalition recently authorized by the Military Government of Uruguay, the Broad Front, has become the most important electoral force in Montevideo.

The surveys showed that only 50 percent of the voters in Montevideo (this city has nearly half of the 2.2 million authorized voters in the country) have decided for whom they will vote in the November elections, the first after 11 years of the de facto regime.

Among this 50 percent, the surveys showed the leftist forces are the probable winners at the department level, with 29 and 16.2 percent of the votes in each poll, respectively. There were, however, a great number of undecided voters, people of uncertain political inclinations, and others who are wavering among the different political forces.

Adding up all the tendencies, the Broad Front headed one poll and the traditional National Party the other. The traditional Colorado Party took third place in both surveys.

Two and a half months from the elections it is known that the leftist sector is increasing its prestige in Montevideo, the National Party is sliding, and the Colorados are remaining stable. The situation in the interior of the country has not been surveyed, but the Broad Front is not expected to be as successful there as are the traditional parties.

TUPAMARO LEADER SENTENCED TO 45 YEARS IMPRISONMENT

PY172000 Paris AFP in Spanish 1806 GMT 17 Sep 84

[Text] Montevideo, 17 Sep (AFP) -- The leader of the Tupamaro guerrilla group, Raul Sendic, was given a final sentence of 45 years imprisonment by the Uruguayan Military Supreme Court today, his brother Victoriano Sendic reported to AFP. The military court made the decision late last August in the second and last appeal without the presence of defense lawyer Hugo Batalla. Raul Sendic was given 30 years, the highest constitutional sentence, in addition to 15 years as a security measure.

Sendic was arrested in September 1972 and has been held in various military units. Leftist sectors have considered Sendic a hostage of the military regime.

RIGHTS COMMISSION ON POLICE PRESSURE ON JUDGE

PY141432 Paris AFP in Spanish 2119 GMT 13 Sep 84

[Text] Treinta-y-Tres, 13 Sep (AFP) -- The Human Rights Commission in Treinta-y-Tres, a department located 270 km northeast of Montevideo, has protested the need to preserve the independence of the judicial branch, referring to a case of a lady judge who was forced to ask for a transfer because of alleged policy harassment. It was learned that the judge in question had tried four policemen for abuse of authority and concealment a month ago, and then had asked to be transferred due to alleged pressures by the chief of the four policemen tried. The claim made by the commission is supported by several political and social entities.

BRIEFS

AMBASSADOR TO VATICAN -- Dr Raquel Lombardo de de Betolaza has been appointed the Uruguayan ambassador to the Vatican. [Excerpt] [Montevideo EL DIA in Spanish 22 Aug 84 p 4 PY]

KUWAITI AMBASSADOR -- The newly appointed Kuwaiti ambassador to Uruguay, Ali Zakariya Al-Ansari, has presented his credentials to President Alvarez. [Excerpt] [Montevideo EL DIA in Spanish 30 Aug 84 p 8 PY]

FOREIGN AFFAIRS UNDER SECRETARY -- Dr Jorge Alvarez Olloniego has taken over as foreign affairs under secretary. Alvarez Olloniego is replacing Dr Heber Arbuet Vignali [Excerpt] [Montevideo EL DIA in Spanish 22 Aug p 8 PY]

NICARAGUAN OFFICIAL VISITS -- Alfredo Alaniz, head of the Nicaragua Institute of Fisheries, has come to Montevideo to invite the Uruguayan Government to attend the eighth ordinary meeting of the Coordi ating Committee for Sea and River Products and to the conference that the Latin American Organization for Developing Fishing will hold in Managua between 8 and 12 October 1984. [Summary] [Montevideo EL DIA in Spanish 1 Sep 84 p 8 PY]

USSR'S KAPITONOV MEETS WITH PRESIDENT, COMMITTEES

FL180136 Mexico City NOTIMEX in Spanish 0050 GMT 18 Sep 84

[Text] Mexico City, 17 Sep (NOTIMEX) -- Ivan V. Kapitonov, secretary of the Secretariat of the CPSU Central Committee, said here today that Mexico and the Soviet Union were a good example of peaceful coexistence and cooperation between nations which have different social systems.

On meeting with Mexico's President Miguel de la Madrid, during his visit to Mexico heading a Soviet parliamentary delegation, Kapitonov said relations between the two countries were of great importance within the complicated international system of today. He said that both the Soviet Union's and Mexico's positions on the key matters of war and peace coincided and were similar, because the two nations were trying to eliminate the threat of a new world war.

Humberto Lugo Gil, president of the Chamber of Deputies' Grand Commission, said that the Soviet parliamentarians had attended the festivities held for the 174th anniversary of Mexico's independence. he added the Soviet delegation had been present at events held on 13 and 16 September, and had toured the independence route through the states of Queretaro and Guanajuato, in central Mexico. Lugo Gil said the Soviet parliamentarians had met with the Senate's and Chamber of Deputies' foreign relations committees.

SEPULVEDA HOLDS TALKS WITH AUSTRALIA'S HAYDEN

BK180533 Melbourne Overseas Service in English 0500 GMT 18 Sep 84

[Text] Australia and Mexico are to work together on a proposal to ban all nuclear weapons worldwide. The decision came at a meeting in Mexico City between the Australian foreign minister, Mr Hayden, and his Mexican counterpart, Mr Sepulveda. My Hayden said both countries strongly supported a comprehensive test ban treaty although at the moment they were proposing different methods of bringing one about. He said Mexico wanted the International Committee on Disarmament to draw up a definite treaty which all countries would be asked to sign. Australia wanted to involve the superpowers from the beginning to try to ensure the treaty worked. My Hayden said Mr Sepulveda was keen to work with Australia on his proposal.

PRT CALLS FOR LEFTWING FRONT TO FACE PRI

PA150238 Mexico City EL UNIVERSAL in Spanish 10 Sep 84 pp 1, 17

[By Juan Gonzalez]

[Text] Leftwing political parties and organizations will establish a common front to face the Institutional Revolutionary Party [PRI] in the upcoming 1985 federal elections. The front will also try to erase the idea prevailing among the people that the National Action Party [PAN] is the only available resource to defeat the ruling party.

The 11th plenary session of the Revolutionary Workers Party's [PRT] Central Committee that ended last night stressed several agreements. Among the most important was the alliance of leftwing organizations. To that effect, a campaign called "United Left" started yesterday to show that unity is indeed possible between the PRT, the Mexican Workers Party [PMT], the Unified Socialist Party of Mexico [PSUM], and other leftist organizations; that they can establish a bloc to successfully tackle the challenge of next year's federal elections.

The PRT plenary session concluded that a front to face the ruling party is a popular need because it is evident that more things are going wrong and that the government has become the scourge of the country's workers through the PRI.

It was said during the session that it is necessary to overcome the leftwing's bad reputation among the people because they think that voting for the PAN is the same as voting against the PRI. We will show that the leftwing alliance is a valid option to face those who have ruled for more than 50 years and have become the calvary of the Mexican people. The people need viable paths to voice their opinions and feel that they are the moving force of the country. Undoubtedly, it is through the leftwing that this will come about.

The practice of democracy should be the means to find solutions. It is not in the political parties, neither the ruling party nor the rightwing parties, where the people will find the way to face the government's dictatorial position that to an extent keeps them frustrated and without ways to solve their problems.

The PRT plenary session stated that it is possible that the leftwing's consolidation could be achieved by 1985. To that effect, agreement with other organizations will be made.

One of the most important objections of the leftwing is to the Law on Political Organizations and Electoral Processes (Loppe) which states that any party participating in an alliance will lose its registration.

If necessary, we would disappear as political parties; we would establish a new one made up of leftwing forces in order to fight against the ruling oligarchy. The PRT plenary session stated: It is time to face the government and its dictatorial measures. Some attempts to this end are underway in the State of Mexico, which is the starting point from where we will achieve our objective.

The PRT meeting also stated that the government's current policy slashes at the country's most important structures such as workers organizations in the Labor Congress. A clear example of that policy is the seizure of the Mexican Telephone Company. That was a flagrant violation of the Republic's general Constitution and of the workers' right to strike.

We believe, the PRT plenary session stated, that the government's attitude is now more aggressive than ever. The demand for a 22.2-percent wage increase is not in any way a crime or an excuse for the government to use illegal measures. Apparently the government is not willing to tolerate any kind of opposition from political groups or workers and thus it is carrying out all kinds of retaliatory action against them. It seems like the government is trying to protect its effort before the IMF from the workers' legal demands.

The economic aspect is very carefully protected. In fact, the government is trying at all costs to prevent the working class from protesting or placing obstacles that could tarnish its image abroad because the economy is weak and fragile. When workers are allowed to voice their legal demands, the government trembles. Therefore, it tries at all costs to repress any action contrary to its ideals or objectives.

In addition, members of the PRT Central Committee met at 1500 yesterday in the Legislative Palace to show support for the hunger strike being carried out by several leftwing deputies led by Mrs Rosario Ibarra de Piedra.

## VICE PRESIDENT-ELECT DISCUSSES TIES WITH TAIWAN

PA150113 Panama City Circuito RPC Television in Spanish 1730 GMT 14 Sep 84

[Text] Eric Arturo Delvalle, Panama's first vice president-elect, returned last night from a 15-day official visit to Nationalist China, where he learned of its economic development and modernization.

Upon his arrival, Delvalle discussed the possibility of increasing commercial ties with Taiwan and increasing Taiwan's private investments in Panama.

[Begin recording] [Reporter] Mr Vice President-elect, what climate did you find about future investments in Panama from Taiwan?

[Delvalle] I think that there are very good possibilities. The Government of Taiwan is suggesting to investors in Taiwan to invest abroad because of their very favorable balance of payments at this moment. In view of this fear [as heard] they are urging their investors to invest abroad. Therefore, they are going to survey the entire Central American area and I feel that Panama has many possibilities, many advantages over other countries and, in cases where we do not have them, we must see what we can do to attract as many investments as we can to Panama.

[Reporter] For its part, what will Panama do to balance its current trade imbalance with the Republic of China?

[Delvalle] Exactly. Investments would have to be made in factories and industries for export purposes because Panama's market is very limited and investments for such a small market would not be warranted, or justified. Therefore, this is just what we seek: to invest in order to be able to export. [end recording]

## PARTY CALLS FOR 'RADICAL CHANGE OF GOVERNMENT'

PA171640 Panama City LA PRENSA in Spanish 17 Sep 84 p 1 A

[Report by Jose Quintero de Leon on a communique issued by the Popular Action Party, PAPO; date and place not given]

[Text] The Executive Committee of the Popular Action Party (PAPO), an independent opposition party, has called on the Panamanian people to be alert and to organize a citizens struggle "because the country's political, economic, and social problems will not be resolved unless there is a radical change of government."

In a lengthy communique PAPO states that Panama is experiencing a national crisis and that the Panamanian people are looking to the political parties, as forgers of the people's will, to take a stand at this time of uncertainty. Aware of its role, PAPO thus responds to the people's mandate, the communique adds.

"Contempt for the citizenship and disdain for political values have characterized the policy that the military regime has upheld since October 1968," the communique asserts.

It states that since 1968 the people have seen the military establish themselves as arbiters of the country's future, changing Panama's tradition of peace, neutrality, and civilian rule to one of militarism and antinationalism by virtue of the military alliance concluded with the United States through the Torrijos-Carter Treaties.

Such is "the bleak future" that countries, political parties, and world figures have helped bring on Panma's deteriorated institutions, PAPO maintains.

With regard to Panama's military buildup, the communique says that the people are uneasy about the building of fortresses or military bases throughout the country. "Without the authorization of any branch of government, the National Guard [currently Defense Forces] has announced that it will build two new military installations in Bocas del Toro and Darien," it adds.

Referring to the School of the Americas, it states that civilian forces have followed the government's winding way of dealing with the problem of the international military training center. No Panamanian president authorized that this school of American militarism be opened in Panama, the communique notes.

According to PAPO, the U.S. Government established this and other training institutions arbitrarily and unilaterally in the same way that it established military bases in our territory.

"The only government that dared legalize the United States' arbitrariness and military occupation of Panama was General Omar Torrijos Herrera's government," the communique emphasizes.

The party maintains that the School of the Americas has had a baneful influence on Latin American democracy because instead of forging military leaders to defend democracy it is clear that the school has been the cause of military coups. That is why democratic forces criticize that military institution and demand that upon its final closing its installations be put to good use, such as educational or health centers, the communique maintains.

On the Chamber of Commerce's opposition to the closing of the School of the Americas, PAPO warns the people, particularly the members of the chamber, to stop speculating with military training and arms buildup as sources of jobs and enrichment. "No one should seek wealth in violence, especially at a time when economic development and growth should be in the hands of well-intentioned civilian governments and in the creative inventiveness of a hard-working people," it cautions.

Finally, PAPO raps the current regime's poor utilization of Panama's lands and accuses the military government of making transit through the Panama Canal a permanent source of danger of radioactive contamination because the United States is authorized to move any kind of armament or cargo through the canal without declaring its content or subjecting it to inspection or control.

## BRIEFS

SOUTH KOREAN OFFICERS VISIT -- Lieutenant General Lee Sang Kyu and Colonel Park Mu-Kang, of the South Korean Army, paid a courtesy visit to the Panamanian National Defense Forces Command. They were received by Colonel Roberto Diaz Herrera, chief of staff, and by Colonel Marcos Justines and Angel Mina, and Lieutenant Colonel Elias Castillo. [Summary] [Panama City CRITICA in Spanish 14 Sep 84 p 5 PA]

AGREEMENT WITH MEXICO -- In Mexico City Panamanian Education Minister Susana Richa de Torrijos has signed the third Panama-Mexico educational and cultural programs agreement with the Mexican Government. The terms of the agreement regulate cooperation in education, culture, audiovisual systems, radio and television, film, and the exchange of information and publications in these areas. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 13 Sep 84 p C 9 PA]

## COSTA RICA

### FOREIGN MINISTER DENIES RUMORS OF PEACE MISSION

PA180218 San Jose Radio Reloj in Spanish 0100 GMT 18 Sep 84

[Text] Costa Rican Foreign Minister Carlos Jose Gutierrez has said that a request for a peace mission to Central America could be conceived only by the (?feverish) imagination of people who have seen old French Foreign Legion movies. Gutierrez strongly denied that the French Government has sent a peace mission to station security forces in the convulsed Central American region.

The foreign minister also said that Costa Rica accepts only the Contadora Group as the sole means of achieving the area's pacification and that the Costa Rican Government will maintain its stance of support for Contadora foreign ministers.

These speculations that Costa Rica had asked for a peace mission to the region are a specific result of a French peace proposal for the Costa Rican-Nicaraguan border. Gutierrez said that a proposal from French President Francois Mitterrand has been received by Jorge Urbina and Jose Leon Talavera, the Costa Rican and Nicaraguan deputy foreign ministers. Gutierrez stated clearly that this French proposal would be implemented only if and when the Contadora efforts prove unsuccessful in attaining democratization and pacification.

### PVP HOLDS PARTY CONGRESS, CHOOSES COMMITTEE

PA171633 San Jose Radio Reloj in Spanish 1200 GMT 17 Sep 84

[Text] In yesterday's session of the Popular Vanguard Party [PVP] congress, the new PVP Central Committee, made up of 35 members and 15 alternates, was chosen. According to PVP leader Humberto Vargas Carbonell, the president, secretary general, assistant secretary general, members of the political committee and the party's secretariat will be chosen today because they are not appointed by the congress but by the Central Committee.

Yesterday's agenda also included a discussion of topics such as the situation of women and changes to the party's platform. It also included reports from regional committees and the visit of representatives from parties viewed as friendly. Vargas Carbonell added that the changes made to the platform are aimed at making it more simple and understandable for the country's vast sectors although the essence of it is the same.

As to amendments to the statutes, he said that they are not fundamental but are changes to make the PVP flexible and efficient in regard to the formation of various organizations. He indicated that the congress has received greetings from various foreign leftist parties and local organizations. He stressed that what is viewed as a split within the PVP was truly a purge.

He added that the PVP hopes to go to the 1986 elections forming a coalition that includes not only leftist groups but all popular sectors which oppose government policy, that of imperialism, and that of the Costa Rican oligarchy. He remarked that the economic as well as the political problems are very grave. He noted that international policy is playing a role in the life of this country which had never been played before. Therefore, he said, one must ask: What are we going to do about the Central American problem?

The people must know what is a wise policy and we must discuss the Costa Ricans' view of a radio station that was installed on the border and express their views about the entry of Somozist forces in Guanacaste Province, Vargas Carbonell concluded.

## EL SALVADOR

### DUARTE REFERS TO REBELS IN INDEPENDENCE SPEECH

PA160337 Panama City ACAN in Spanish 2322 GMT 15 Sep 84

[Text] San Salvador, 15 Sep (ACAN-EFE) -- During events marking the 163d anniversary of the independence of the Central American countries, Salvadoran President Jose Napoleon Duarte said today that the guerrillas "try to oppress the people."

In a speech this afternoon in the city of San Miguel, 132 km from San Salvador, the president said that the guerrillas "keep the people in a state of anxiety" and indicated that all Salvadorans must join efforts if they want to live in peace, justice, and democracy. Duarte said that "freedom, justice, and democracy must be built day-to-day."

"If we want justice in El Salvador, we must fulfill our duties and demand our rights, if we want to live without violence, we must struggle to achieve social coexistence," the Salvadoran president said.

Duarte, who is also commander in chief of the Armed Forces, today swore in the Manuel Jose Arce Rapid Deployment Battalion that was founded a year ago. This morning Duarte presided over the civic events held in Libertad Plaza and the National Palace in the center of San Salvador where thousand of youths from different schools marched through the main streets.

Meanwhile, some 200 women of the Salvadoran Committee of Mothers of Political Prisoners, Assassinated, and Missing People held a march through various streets of San Salvador and asked that the situation of their relatives be clarified.

Several unions also held a demonstration in the same area, and when they reached the central market square they urged the population "to achieve a second independence," in reference to U.S. intervention in El Salvador. A union leader charged that the national economy has to pay a high price for the war, which diverts resources from other more urgent needs. He concluded by stating that the Salvadoran people want a dialogue between the forces in combat.

The marches of the unions and the mothers of political prisoners and missing people were held even though the Army had warned against holding demonstrations that were not within the "patriotic fervor." Nevertheless, there were no incidents.

### DUARTE LEAVES ON VISIT TO VENEZUELA 17 SEP

PA171653 Paris AFP in Spanish 1634 GMT 17 Sep 84

[Text] San Salvador, 17 Sep (AFP) -- Salvadoran President Jose Napoleon Duarte left this morning for Caracas, Venezuela, the first leg of a tour which will include Colombia and Panama, official sources have announced. The president is accompanied by a delegation of ministers, including Foreign Minister Eduardo Tenorio and Deputy Defense Minister General Rafael Flores.

GUILLERMO UNGO DISCUSSES U.S. INVOLVEMENT

PA142257 Panama City Televisora Nacional in Spanish 0230 GMT 14 Sep 84

[Guillermo Ungo, president of the Revolutionary Democratic Front (FDR), interviewed by journalist Diana Arosemena in the program "With Diana Arosemena"; date and place not given -- recorded]

[Excerpts] [Arosemena] The Salvadoran guerrillas control one-third of the country. Because of this, they must be taken into consideration by the United States in any effort to achieve a peaceful solution. Dr Ungo, what are the expecations of the Salvadoran guerrillas right now, considering President Ronald Reagan's reelection possibilities in the United States?

[Ungo] President Reagan really represents a danger, a threat, to the whole world for several reasons, not only for political and military reasons, but for economic reasons. He has dogmatic inflexible positions. We are suffering the consequences. The prolongation of the war in El Salvador is one of these consequences. The prolongation is due, fundamentally, to the increased participation and involvement of the United States in that war.

However, I believe that President Reagan cannot control El Salvador all the time, everyday. We are perhaps a protectorate, but there is a difference between a colony and a protectorate. There are economic, national, political, and social factors involved, and these forces will have to increasingly disagree with Mr Reagan's policies. I believe that this is what will happen and what is happening in the Army.

Salvadoran Army personnel are dying. It is the Salvadoran economy, not the U.S. economy, that is in sad shape. Therefore, if there is no possibility of dialogue and negotiations, there is the possibility that a massive and direct intervention could become a reality later. How much later I don't know. I cannot make prophecies, but I do believe that it is not difficult to see that there is growing intervention. President Reagan has a hold-in-check strategy that was made evident when former Secretary of State General Haig drew the line and said: This far and no farther. The military aid is now seven times larger than in 1981, but now more than one-third of El Salvador is under guerrilla control. So, the [regime's] military situation is deteriorating in spite of growing U.S. intervention.

[Arosemena] You speak of military personnel dying, but it is actually the Salvadoran people who are dying. How long will the Salvadoran people tolerate this struggle for power between the guerrillas and government?

[Ungo] The majority of the people are clearly in favor of peace and dialogue. I believe that the Catholic Church is not just a religious institution. It is also very worldly, I believe. The church's position has been coherent; it has consistently called for dialogue. It has given minor importance to the elections results. It has given priority attention to dialogue and negotiations to solve the conflict because the Church senses the earthly desires of most of the faithful. We have to see what is the price for building peace.

We have backed and we still back the Contadora Group, but the Contadora Group has been unable to solve the Salvadoran conflict, something that is basic for contributing to peace and stability in the region, because the Salvadoran Government does not accept negotiations.

[Arosemena] This alliance between the FMLN and the FDR, which you represent, has specific positions on elections and will not cease fighting to negotiate with the government. Your alliance will not accept that. Duarte, on the other hand, says that if the FMLN-FDR does not put down its weapons he will not talk. This looks like an unsurmountable obstacle to the possibility of a dialogue.

[Ungo] I believe that the best way for dialogue is not to set conditions. When Duarte speaks of no arms on the negotiating table we don't know what he means but we believe what he is asking us for is to surrender. I believe it is absurd to ask those who are winning to surrender. We are not asking for the Salvadoran Army to surrender. We believe that a purged and restructured Army is part of the solution. It represents a political power we cannot exclude.

We believe that the Army has been put at the service of the oligarchy. We believe that these positions are, precisely, what we should discuss. What they are doing is buying time. We believe that this is the wrong strategy because instead of buying time, time is wasting, and people are dying, people, as you said, peasants who are forcefully recruited into the Army and peasants, workers, and students who have joined the guerrillas.

[Arosemena] Dr Ungo. You are here very well dressed. I have seen you in international meetings and I have noticed your adroit ways. You are something of an ambassador for the guerrillas at the international level. Who is financing all this?

[Ungo] The Salvadoran people are not financing this because they are a starving and miserable people, but other people of the world, especially of Latin America, of the United States, and of Europe are financing this. International solidarity, fortunately, has been very pluralistic, very broad.

It has been pluralistic in various senses. Various political forces, especially from the Western world, Europe, the United States, and Canada, and from various religious, labor, and political sectors contribute. This solidarity has helped not only the refugees. It has also helped the political activities, which will finally put an end to the conflict.

[Arosemena] We only have a little time left, but you cannot leave me without answering this: The guerrillas, most of them, as in the case of Nicaragua for example, most of the boys who are struggling don't have, according to what I have read in the U.S. media, an ideological position, what they want is to improve their country's situation, but the leadership is completely leftist. What will be the meaning of this once they gain power, a Marxist government for El Salvador?

[Ungo] In our context there is a strong presence of Marxists of various currents. Some are Leninists, others are not Leninists, others who are less Leninists, and many other are not Marxists. This is a problem of division that exists when there is a political and military struggle. Generally, there is a tendency to characteristize anyone who states a leftist position as a Marxist or a communist.

Latin America is living through a leftist position. I have been asked if I have taken a radical line. I believe, however, that although I may have changed on some issues, I still think the same way I did 10 or 20 years ago. It is the situation that has become radical. The waging of political and armed struggles does not only belong to the communists. We see this happening in other places. The more that non-Marxists participate in the struggle, the better Guarantee of pluralism there will be. In the Salvadoran case there is a great deal of pluralism.

We have more pluralism than the U.S. political society where the debate is between only two political parties that are not very different from one another.

We have political manifestations that have strong social basis. There is the Christian Democracy, the right, the ultraright, and the various manifestations of the left, the Marxists and the non-Marxist. We must accept this fact just like the United States must accept the international situation and the real presence of the Soviet Union in the world, and vice-versa; and they should coexist and respect each other. International pluralism should have an internal expression in all the countries.

## ARENA APPOINTS NEW NATIONAL EXECUTIVE COUNCIL

PA150456 San Salvador EL MUNDO in Spanish 13 Sep 84 p 3

[Text] The information meeting called by the Nationalist Republican Alliance, ARENA, in its special general assembly concluded last night with the installation of the party's executive council and voiced several accusations against the government, against Venezuelan Popular Education Institute [IVEPO] and the Democratic Popular Unity, [UDP].

The National Executive Council (COENA) is made up of the following persons: Major Roberto D'Aubuisson as president; Juan Jose Domenech, Jose Manuel Pacas, General Antonio Enrique Aguirre, Dr Jose Antonio Rodriguez Porth, Benedicto Molataya, Alfredo Cristiani, Ana Matilde de Argumedo, and Carlos Mejia. Later, the council members sang the ARENA hymn and installed other party organizations for different parts of the country.

Meanwhile, Major D'Aubuisson accused the UPD, the Salvadoran Communal Union, UCS, and other organizations of evicting some of the beneficiaries of the agrarian reform, specifically referring to the expulsion of 216 members of the Esquintla farm cooperative, in La Paz Department. He also mentioned "interference by IVEPO, which is actually operating illegally, since its contract with the government, which expired along with the national unity government, has not been extended."

The ARENA leader asked the present government to allow free contracting, in view of the new minimum wage intended for the rural sector; otherwise, many peasants would be left jobless, because men's work is not the same as women's work," D'Aubuisson pointed out.

## ARMY-GUERRILLA FIGHTING STEPPED UP OVER WEEKEND

PA180115 Panama City ACAN in Spanish 1920 GMT 17 Sep 84

[Text] San Salvador, 17 Sep (ACAN-EFE) -- Fighting between the Salvadoran Army and the guerrillas was stepped up this weekend in rural sections of the eastern department of La Union, where residents report that the Air Force bombed guerrilla strongholds. Armed clashes occurred at noon on Sunday in Patalambre and San Juan Gualares Cantons, near the town of El Sauce, some 180 km from San Salvador. No details on the results are known so far.

The fighting began after the Army discovered that the guerrillas were grouping to occupy the town of El Sauce. According to civilian sources, Air Force units participated in the fighting, which lasted 3 hours.

Military sources said today that the guerrillas are constantly on the move, primarily in the eastern part of the country, because the Armed Forces are on the "alert" for an announced new rebel offensive.

Meanwhile, the Armed Forces Press Committee (Coprefa) has reported the death of a guerrilla of Honduran nationality in the fighting early Sunday morning in Gualache Canton, in the southeastern Department of Usulutan. The Honduran guerrilla was identified by Coprefa as Isidro Mendoza and it explained that he was killed during an ambush set for members of the 6th Infantry Brigade, based in Usulutan.

Coprefa also reported that another confrontation took place this weekend on Masatepeque Hill, in the eastern department of San Miguel. So far it is not known how many casualties were sustained by the FMLN

The rebels announced over a clandestine radio station today that at least three civilians were killed on Friday when Air Force units bombed El Zapote Canton in Usulutan, 130 km southeast of this capital. Since the armed conflict began almost 5 years ago, the guerrillas have maintained one of their strongest redoubt in that area.

Meanwhile, official sources have reported that several towns in northern El Salvador have been without electricity since Saturday, when rebel groups dynamited three power pylons on the Northern Trunk Highway.

Further Report

PA172326 San Salvador Radio Cadena YSU in Spanish 1200 GMT 17 Sep 84

[By Carlos Marquez]

[Text] Heavy fighting has been reported between FMLN guerrillas forces and units of the Fonseca Battalion in the town of El Sauce, some 185 km east of San Salvador, La Union Department. The information from reliable local sources indicate that FMLN rebels arrived in the town at noon yesterday, while specialized counterinsurgency troops close by immediately proceeded to evict the leftist.

Meanwhile, troops from Military Detachment No 3 from La Union and Air Force units arrived to reinforce the government forces. Irma Arias, 12, was killed by a stray bullet fired from a helicopter as it strafed rebel forces on the sidewalks, according to a telephone call from an eyewitness.

The residents of El Sauce endured moments of anguish during the fierce shooting, lying on the floors of their homes while shots were fired at the guerrillas from the planes. The action lasted approximately 2 hours.

This contrasts with President Jose Napoleon Duarte's statements last week when he announced the approval of new instructions to regulate the activities of the security corps and the support to be afforded the Army in the confrontations with the leftist forces. Military sources at La Union offered no further information on this new clash at El Sauce. According to El Sauce residents, there were many rebels wounded in the shoot-out who were carried out by their companions.

## HONDURAS

### REPORTAGE ON GUERRILLA TAKEOVER OF RADIO STATION

#### Station Apology

PA171242 Tegucigalpa Cadena Audio Video in Spanish 1233 GMT 17 Sep 84

[Text] Dear friends: We regret the interruption in our program this morning. A group of guerrillas seized our station and tied up all of our employees to broadcast a message which the Honduran people no doubt have already listened to. Apologizing for this interruption, which was forced upon our station, we resume this morning's newscast.

#### FMLH Reads Statement

PA171355 Tegucigalpa Cadena Audio Video in Spanish 1223 GMT 17 Sep 84

[Morazanist Front for the Liberation of Honduras statement issued during the takeover of Tegucigalpa Cadena Audio Video on 17 September -- read by unidentified person; live]

[Text] Message from the Morazanist Front for the Liberation of Honduras [FMLH] to the peasants, workers, students, and professionals:

I urge the youth -- who are those called upon to give life to this country which I leave with pain because it remains behind in anarchy -- to imitate my example of dying with firmness rather than leaving it to the fate of the disorder it is unfortunately in General Francisco Morazan.

Our fatherland, Honduras is experiencing the worst tragedy of its republican history and there is no hope that it can improve because the factors which generated it have become stronger. Therefore, the country is sinking in a profound abyss of misery.

Undoubtedly, the national crisis that is affecting us, is as bad as, in the order of our tragedies, the poverty plaguing our working masses which is the fault of oligarchic governments; the scandals of corruption, which are a shame for our country, and the surrender of our sacred territory to a foreign power to the arrogant and proud gringo who has come here to perpetuate the destitution he has imposed, gradually but firmly, for the benefit of his imperialist interests.

The presence of the blond hyena goes against the need that the peasants have to own land in order to survive together with their families because the gringo oppressor is an ally of the local exploiter. The instruments of death which imperialism wants to employ here, and the misery of city and rural workers are trampling on the dignity of all Hondurans who want a homeland without masters, free, and sovereign forever.

The current liberal-military government headed by Dr Suazo Cordova will go down in history as a treacherous and corrupt regime which, without any decency, [words indistinct] to turn them into simple peons of the warmongering policy of the U.S. administration.

We can only recover our honor by fighting the villains and those who hurt the fatherland we inherited from our forefathers: Lempira, [name indistinct], Herrera, Morazan, Cabanas, and others who have died for the grandeur of our fatherland. The FMLH stresses that the country cannot be bought off, is not for sale, nor can be mortgaged, and that as long as there are machetes ready to avenge the offense, the honor of Honduras will be saved.

The immorality of the ruling clique has no parallel in our history. The scandals of corruption are a national shame.

Never before has a country been subjected to enslavement. Fortunately, the hopes for freedom is nurtured with every new act of humilation by the gringo filibusters. Masters and lackeys will pay for their crimes and [words indistinct] our national redemption.

The FMLH -- a clandestine, political-military, anti-imperialist, and antioligarchic organization, receives orders from no one, except its Honduran leaders and its existence is due to a need to [word indistinct] determination, taking into account traditions and national beliefs, promises [word indistinct] to be loyal to the irreversible commitment which, together with other revolutionary forces, will fight for national liberation as the single and [word indistinct] alternative so that the Honduran people can have a future of progress, happiness, and dignity.

[Signed] National Directorate of the Morazanist Front for the Liberation of Honduras.

The night is dark but Morazan is watching.

## General Lopez Comments

PA171937 Panama City ACAN in Spanish 1827 GMT 17 Sep 84

[Text] Tegucigalpa, 17 Sep (ACAN-EFE) -- Honduran Armed Forces Commander General Walter Lopez Reyes has characterized the alleged guerrillas who this morning seized a Tegucigalpa radio station as "maladjusted" people.

According to the general, "Those people want to disturb public order and establish a climate of chaos and anarchy that would favor their interests." He added: "The Armed Forces are ready to defend internal peace and the security of honest Hondurans who want to live in democracy and to work in freedom." Gen Lopez went to the State Attorney's Office today to sign a document authorizing an investigation of his assets, including those abroad.

The Honduran Congress last week passed a law calling for the return of any capital that government officials have deposited in banks abroad. The law also compels persons who have occupied public posts, anytime since 1950 to permit investigations of their assets. Honduran President Roberto Suazo Cordova was the first official to authorize an investigation of his finances and he challenged the rest of the government officials to follow suit.

At 0600 this morning, alleged members of the Morazonist Front for the Liberation of Honduras [FMLH] aired a radio message accusing President Suazo Cordova and his government team of corruption. According to the guerrillas, Honduras is going through a "sad phase of poverty, corruption, and surrender to a foreign power," referring to the United States, and "the oligarchic governments" are responsible for this.

The FMLH was founded in this Caribbean country on a day like today, 5 years ago. The front describes itself as a "political, military, anti-imperialist, and antioligarchic organization that takes orders from no one but the Honduran commanders." In this morning's message, the rebels rejected the U.S. military presence in Honduras and warned that "the imperialist instruments of death are here to perpetuate the misery of city and rural workers."

The latest guerrilla action to take place in the capital was the placing of some bombs, that did not explode, in the airport, the Central Bank, and other buildings, this past August.

## NICARAGUA

### U.S. NAVY FRIGATES VIOLATION PROTESTED

PA181240 Managua Radio Spanish 1200 GMT 18 Sep 84

[General Directorate of Information and Press of the Junta of the Government of National Reconstruction communique issued 18 September]

[Text] The General Directorate of Information and Press of the Junta of the Government of National Reconstruction hereby announce the following:

Yesterday, three U.S. Navy frigates repeatedly violated Nicaraguan territorial waters. In what is viewed as a suspicious act and a flagrant provocation, these vessels continued approaching then withdrawing from the Nicaraguan Pacific Coast. Two of the frigates came as close as approximately 8 miles off the coast of Montelimar. A helicopter which made several flights over our coast took off from one of these vessels. The third frigate approach as close as 10 miles off San Juan del Sur port in Rivas Department.

Nicaragua denounces these actions, which are without precedent in the history of U.S. violations of our territorial waters. This is part of the escalation of the aggression being experienced by our country and which has included, among other actions, the mining of ports and constant air and naval attacks on our territory. It must be stressed that U.S. Navy ships have played a determining role in the support of mining and attacking our ports.

These incidents are elements of provocations or deployment actions which are a prelude to a new aggression which cannot be ruled out and include a greater U.S. Army involvement. This show of force by the U.S. Government in flagrant threat and violation of Nicaraguan sovereignty jeopardize all the efforts for peace and negotiated solution to the problems of the region, as well as the bilateral talks which U.S. and Nicaraguan representatives are holding in Manzanillo, Mexico.

In the face of these unprecedented incidents, Nicaragua alerts the international community, especially the U.S. public, demanding the immediate withdrawal of these warships from Nicaraguan territorial waters.

Managua, 18 September 1984.

### HUMBERTO ORTEGA DISCUSSES NATION'S YOUTH

PA150231 Managua BARRICADA in Spanish 7 Sep 84 Supplement pp 3, 8

[Commander of the Revolution Humberto Ortega Saavedra, defense minister and commander of the Sandinist People's Army, interviewed by unidentified reporter; date and place not given -- all quotation marks as published]

[Excerpts] A duty, a commitment, and an opportunity; this was the quick, direct, and precise reply given by Commander of the Revolution Humberto Ortega when asked to define the legal, historical, and political content of the Patriotic Military Service [SMP], being fulfilled by thousands of Nicaraguan youth. The defense minister added:

"It is the great historical contribution of our youth to achieve peace in Nicaragua with the people's blood on 19 July 1979."

When we refer to the SMP we are talking basically about the youth. However, according to law the SMP includes all male citizens between 17 and 40 years of age. Why then only the youth? How about the others?

The commander tells us that he will discuss the difference between the active SMP and the reserves later. Right now he is interested in the question about the youth.

"Look, the SMP was created to stabilize and coordinate defense with other sectors that are linked to it, such as those of education and production. But we will talk about that later. In order to be consistent with the efforts for the stability the country requires for the task of national reconstruction, we had to plan the fulfillment of 2 years of military duty, as contemplated in the SMP."

He reminds us that the law states that the youths must comply with 2 years of active service first. Why? "Because we feel that as part of their overall development the youths need to serve the fatherland because this not only increases their awareness and their patriotic and civic character, but gives them training that changes them from adolescents into men, with stronger personalities."

Question: We already discussed the SMP and its possible effect on the economy and education. You promised to discuss more thoroughly the extent that the SMP has become, not an interruption in the tasks of production and school, but a factor that is congruent with them. Could you explain this now?

Answer: "Of course. We view the SMP as something related to three significant areas: greater stability in the national defense, the country's production, and secondary and university education. This basically involves seeing to it that defense tasks do not affect production or education strategically. The latter is very important because much of the SMP is made up of youths in secondary schools.

Question: This is a very important topic that must be very clear to the readers. How can we harmonize the mobilization of the people en masse to the war fronts and defense tasks without strategically hurting production levels, another substantial defense form, and without upsetting the secondary and university school system, which is our guarantee for the future?

Answer: "Let's put it another way: Defense is the first priority. As we noted, the military sphere is the frontline, but not the only front. In other words, if we were to strongly reinforce the military sphere at this moment at the expense of strategetically affecting production, we would be weakening the country's disposition to fight. Therefore, we are trying to do the former very carefully so as not to affect production. The same is true in the area of education, because youths are not only the vanguard in the revolution present but also in the future, of which they are the guarantors. If we weren't taking into account the need to protect that future through their cultural and professional development, we would be deeply affecting defense.

"So we must be concerned, above all, with the fact that youths between 18 and 22 fulfill their active duty, because many of them have not yet entered the university or an economic-social phase in which they become supporters of a family. The 2 years of military service will help them develop, mature, and even think about their future more carefully. They will be better able to choose what they want to study and so on. Youths who are already an important economic factor of our society or whose professional training is in their last stages will not be affected.

Question: Could you be more exact about the coercive measures that the law contemplates for those who do not want to fulfill their military duty?

Answer: "Truthfully speaking, the violation of this law has not been a basic problem so far. Most youths called to the ranks have fulfilled their civic obligation. However, there are several measures for those few trying to dodge this service, especially in the case of youth influenced by parents who are not in agreement, partial or complete, with the revolution. Those who act in this way are violating the law. In addition, we know that the majority of these youth are disoriented. Once they begin to fulfill their military duty they begin to understand that this patriotic duty is an honor. Then they begin to behave just like other youth, participating in the defense of the fatherland with enthusiasm and fervor.

Question: Every law is by nature coercive. What sanctions does this law contemplate for those who evade the SMP?

Answer: "There are indeed sanctions. However, more than actual sanctions there are incentives and benefits that those who do not serve WILL NOT ENJOY [capitalized passage published in boldface]. The community of workers and peasants will favor those youths who abide by the country's laws, including the SMP, in terms of the right to scholarships, jobs, recreation, migration, and so on. To implement this it is necessary that all state institutions participate in recruitment and in the Commissions for Aid to Fighters [Comisiones de Ayuda al Combatiente]; which will be in charge of administering preferential treatment to the families of fighters who are at the war fronts, to those of the fallen in combat, and to the families of fighters who were disabled in this patriotic enterprise.

Let me repeat: He who does not fulfill the SMP will not be entitled to work, study, receive a scholarship, or be able to leave Nicaragua. These are but three [as published] options that parents must consider before they exert a negative influence on their children. We must keep in mind that all we have now, the little well-being we are enjoying, has been built with the sweat and blood of the people who have fulfilled and continued to fulfill the patriotic duty of defending their country."

Question: Let's return to military considerations. Thousands of youths who enter active duty are now part of the BLI, military units especially trained to conduct unconventional warfare against CIA mercenaries. What results have these young fighters had?

Answer: "BARRICADA has reported on the BLI's and their successful actions against mercenaries. I can add that since the process began a few months ago, the integration of SMP youths into the BLI's has significantly improved the combat troops' readiness and capacity to mobilize for defensive tasks. They fight both in special units and in units that need a higher level of technical sophistication than that which the people currently possess.

To summarize: The youths have assimilated military life and tactics very quickly. This has been demonstrated by the BLI's, which have been the cornerstone of the military maneuvers that, together with the BIR [not further identified] and the Sandinist Peoples Militias [MPS] the EPS has conducted operations at various war fronts to counter the mercenary enemy.

I dare say that the training received by the youths who serve in the SMP is comparable to that received by the best Latin American Army.

This interview did not expect to encompass the totality of so rich a problem as youths' patriotic duty. We far exceeded the time that the member of the FSLN National Directorate had granted us.

To close this chat, we showed him a foreign magazine depicting a training camp of an elite Yankee unit: the Marines. They had blank expressions on their faces, like those we saw in the past on the murderers of the Basic Infantry Training School [EEBI] of Somoza's days. A caption reads: "In 10 weeks they are ready to kill or die without ever asking why..." After studying the pictures and reading the test, Humberto said:

"This is nothing new in the warmongers' mentality. It is quite typical of imperialists to make such displays. They need blind and criminal forces to commit the savagery that we became familiar with during Somoza's days and that we presently experience with the mercenaries. They have trained in that savage mentality.

Our fighters of the SMP, EPS, BIR, MPS, the Police, Interior Ministry [MINT] and State Security are bred on values diametrically opposed to those of the Yankee Marines. The Nicaraguan youth who joins the service above all strengthens his patriotism, his national pride, his honor as a Nicaraguan, and his revolutionary zeal. Our youths fight to contribute to the enormous task of rebuilding Nicaragua, underdeveloped and devastated by yesterday's war and exploitation and by today's ongoing war. Our youths fight on behalf of the poor, the humble, the workers and peasants for our people's interests and our nation in general. They are revolutionaries, humanists, Sandinists..."

BORGE MEETS WITH POLAND'S MINISTER KISZCZAK

For Polish reportage on the visit by Interior Minister Tomas Borge to Poland, including his talks with Polish minister of internal affairs Czeslaw Kiszczak, see the Poland section of the 17 September Eastern Europe DAILY REPORT and subsequent issues.

AUSTRALIAN FOREIGN MINISTER ENDS VISIT

PA150339 Managua BARRICADA in Spanish 14 Sep 84 p 8

[Text] The situation in Nicaragua "is better than I had expected and there is plenty of freedom to express political views opposite to those of the Sandinists," Australian Foreign Minister William Hayden said at the end of his visit to Nicaragua.

Hayden also referred to the conflict between "the Sandinist forces and the counterrevolutionary forces," which he expressed as "a heavy load on the Nicaraguan economy, because of the human and material resources that has to be diverted to face the conflict." Hayden insisted on "finding a solution to the problem" and that his government will support the Contadora Group's efforts.

He also praised the efforts made by the Nicaraguan Government to solve the problems of illiteracy and poor health. He also suggested the need for a broader political pluralism and a mixed economy for the country.

Foreign Minister Miguel D'Escoto, who went to Augusto Cesar Sandino Airport to bid farewell to Hayden, reiterated to a foreign journalist that talks are necessary, but that in this case, the counterrevolution is nothing more than a bunch of mercenaries at the service of the United States and for this reason the talks have to be with the U.S. Government, which is precisely what we are doing.

D'Escoto said that the Australian foreign minister's visit was to exchange views on various topics, but mainly on Central America. No agreements were signed, D'Escoto added. Foreign Minister Hayden left yesterday morning for El Salvador from where he will go to Honduras and Mexico. He will also visit Costa Rica.

PHNOM PENH RADIO CARRIES CASTRO MESSAGE

BK171416 Phnom Penh Domestic Service in Cambodian 1300 GMT 17 Sep 84

[Text] Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party Central Committee, recently received a message of thanks from Comrade Fidel Castro Ruz, general secretary of the Communist Party of Cuba Central Committee. The message stressed:

On behalf of the people, party, and Government of the Republic of Cuba, we would like to thank you for your fraternal message on the occasion of the 31st anniversary of the Moncada attack.

FLAVIO BRAVO IN HUNGARY; SEES U.S. AS THREAT

PA171629 Havana International Service in Spanish 0000 GMT 17 Sep 84

[Text] Flavio Bravo, president of the Cuban National Assembly of the People's Government [ANPP], has called on the world's parliaments and peoples to mobilize to prevent an open U.S. military intervention in Central America. The situation in the area is very serious as a result of the growing U.S. military presence there. Bravo stated this during an interview with the news agency PRELA in Budapest, Hungary.

Flavio Bravo pointed out that Cuba has done all it can to ensure that the conflicts in Central America and the Caribbean are resolved peacefully, through negotiations, and justly. The head of the Cuban parliament said that an agreement of this nature must be based on the peoples' right to self-determination, meaning that each country can decide the kind of government it prefers without any sort of foreign interference. Bravo stated that the installation of U.S. medium-range nuclear missiles in Western Europe proves that the United States is attempting to gain military superiority in order to impose its interests and hegemony on the world to the detriment of not only the socialist nations but of its allies as well. As a result of this U.S. policy the world situation has become extremely dangerous and could lead to a nuclear war which, according to scientific estimates, no one on the planet would survive.

The ANPP president is visiting Hungary as part of a tour of several European socialist countries.

BRAVO DELEGATION ARRIVES IN BULGARIA FOR TALKS

FL171506 Havana Domestic Service in Spanish 1423 GMT 17 Sep 84

[Text] Flavio Bravo, president of the National Assembly of the People's Government, and his delegation have arrived in Sofia, Bulgaria, on an official visit. The Cuban parliamentary delegation was met at the Sofia airport by Stanko Todorov, chairman of the Bulgarian National Assembly; Eustaquio Remedios de los Cuetos, Cuban ambassador to Bulgaria; and others.

ELOY VALDES RECEIVED BY ITALIAN COMMUNIST

FL171303 Havana Domestic Service in Spanish 1107 GMT 17 Sep 84

[Text] Rome -- Eloy Valdes, deputy chief of the Central Committee's General Department of Foreign Relations, has been received by Gerardo Chiaromonte, chairman of the Italian Communist Party's parliamentary group. Senator Chiaromonte and Valdes discussed matters relating to the two parties and the world situation.

COMMUNICATIONS MINISTER LEAVES FOR YUGOSLAVIA

FL180052 Havana Domestic Service in Spanish 2130 GMT 17 Sep 84

[Text] Cuba's Minister of Communications Pedro Guelmes has left to visit Yugoslavia in response to an invitation by Mustafa Pljakic, president of the federal committee for transportation and communications.

During the first working session, Guelmes held conversations with Pljakic and Vucic Cagorovic, director general of the Association of Yugoslav Post, Telegraph, and Telephone. They discussed bilateral cooperation in several areas and trade matters in the communications field.

POLAND'S OLSZOWSKI VISITS HISTORICAL SITES

FL171847 Havana Television Service in Spanish 1700 GMT 17 Sep 84

[Text] The delegation headed by Stefan Olszowski, member of the Polish United Workers Party and foreign minister of that country, has placed a wreath at the monument of national hero Jose Marti in Revolutionary Square. Cuban Vice Foreign Minister Jorge Bolanos, Cuban ambassador to Poland Quinton Pino Machado, and Polish ambassador to Cuba Stanislaw Jarzabek accompanied the distinguished visitor.

Minutes later, they visited the Colon Cemetery grave of the outstanding independence fighter of Polish descent, Carlos Rolof. There they paid homage to the great internationalist, symbol of Cuban-Polish brotherhood, and placed a wreath at his grave.

The Polish delegation then visited the FAR Pantheon as a demonstration of respect and admiration for the revolutionary fighters buried there.

CUBA TO OCCUPY VP SEAT AT UN GENERAL ASSEMBLY

FL172236 Havana Domestic Service in Spanish 2130 GMT 17 Sep 84

[Text] Cuba has been selected by the group of Latin American nations at the United Nations to occupy one of the vice presidency seats at the UN's 39th General Assembly.

A meeting by the group of Latin American nations resolved the differences among four of these countries, Bolivia, Cuba, Chile, and Guatemala, who hoped for the three vice president slots for Latin America.

ORTHOPEDIC EQUIPMENT TO BE SOLD TO IRAQ, OTHERS

FL171920 Havana Domestic Service in Spanish 1804 GMT 17 Jun 84

[Text] Dr Rodrigo Alvarez Cambras, orthopedic equipment designer, has reported that Cuba will sell orthopedic equipment to Iraq and Kuwait. He said that the forthcoming sale of external braces [fijadores externos ocios] to Iraq and Kuwait would provide Cuba with more currency because each piece of equipment costs $12,000 and there will be 18 pieces in a set.

He said other countries had also ordered the external braces, which are made by the steelworking industry's medical supplies enterprise.

Alvarez Cambras said that when production of the equipment is increased it will be possible to sell them in India, Guyana, and Nicaragua. He added that people are now being trained on how to use the equipment on patients. The external braces are used in treating fractures, pseudarthrosis, and bone malformations.

CONTADORA ADVANCES DESPITE U.S. 'WARMONGERING'

PA171318 Havana International Service in Spanish 0000 GMT 17 Sep 84

[Text] EL NACIONAL, a Venezuelan newspaper, has said that U.S. warmongering policy is the main obstacle for the Contadora Group initiatives in favor of peace in Central America. However, EL NACIONAL emphasized that despite Washington's obstructive efforts, Contadora is reaching the end of a decisive phase with absolute support of all the Latin American nations, the socialist countries, the most important West European states, and the United Nations.

UNDOCUMENTED MEXICANS EXPLOITED BY U.S. EMPLOYERS

PA180134 Havana International Service in Spanish 1800 GMT 17 Sep 84

[Report by Juan Roberto Laforte, PRELA correspondent in Mexico City -- live]

[Text] Undocumented Mexicans subsidize part of the U.S. economy through the payment of a millionaire's taxes, without receiving the services and benefits established by laws for U.S. laborers. According to figures provided by Jorge Augustin Bustamante, director of the Center for Border Studies [Centro de Estudios Fronterizos], located in northern Mexico, 1,300,000 undocumented persons pay taxes to the U.S. Treasury equivalent to a truly millionaire subsidy.

Bustamante, who is considered the most qualified specialist in migrant worker problems and border affairs, said that in this manner the Mexican workers finance the pensions of U.S. retirees and unemployed. The director of the center explained that another form of subsidy results from the neighboring country's savings in training expenses, because laborers from Mexico are ready to be exploited. Bustamante, who was an adviser to President Jose Lopez Portillo on illegal alien affairs, also said that production costs for agriculture and industry in the southern part of the United States is very low because the illegal alien labor is cheaper than that of U.S. citizens.

However, the Reagan administration is trying to reduce the number of illegal aliens to those strictly necessary and to promote the entry of qualified laborers. It has reinforced its border patrols, which last year resulted in arrests and deportation of 1,200,000 undocumented Mexicans.

The director of the center for border studies confirmed statements to the effect that large numbers of children on U.S. farms are subjected to indiscriminate exploitation by U.S. businessmen.

AUXILIARY COMMITTEES FOR PARTY CONGRESS APPROVED

FL171240 Havana Television Service in Spanish 1107 GMT 17 Sep 84

[Text] The Politburo has approved the membership and functions of the auxiliary committees of the Third Party Congress Preparatory Commission, which will be held next year. These commissions will work on drafts of the main report, candidacies for membership in the main leadership bodies, and analyses of other documents submitted for consideration by the congress. They will also work on grassroots organization and other organization tasks, ensuring the supply of goods, propaganda, and the activities the masses will carry out throughout the country to salute the great party event.

The Politburo also approved the structure of the departments that make up the auxiliary apparatus of the Central Committee after a careful revision of the draft plan by the Secretariat.

The distribution of food and other products to the people during the first half of the year was also analyzed and the Politburo made some recommendations to the different organs of the central administration, and local agencies of the People's Government, in the interest of continued improvement of these activities, which are closely related to the constant improvement of the standard of living of the masses.

The Politburo also agreed to pass to the Council of State for consideration the recommendation to establish several types of measures for the development of the socialist emulation in the trade union movement. The objective of the measures is to increase profitability levels of socialist enterprises and achieve continued desirable results over several years.

DEFENSE DAY OBSERVED WITH TRAINING ACTIVITIES

PA170114 Havana International Service in Spanish 1800 GMT 16 Sep 84

[Text] Today, Sunday, Cuba again observes Defense Day, intended to further ensure the protection of its territory and improve the people's defensive capacity. Defense Day is observed one Sunday a month, during which the population makes use of the air raid alarm systems and other warning and guidance devices, while the construction of defense installations and the training of the masses continue.

These defense measures are carried out in Cuba in view of constant threats by the U.S. Government to carry out an armed attack against our country and the Cuban people's determination to defend the revolution at any cost.

TRANSPORT MINISTER URGES SAFE WORKING CONDITIONS

FL151640 Havana Domestic Service in Spanish 1000 GMT 15 Sep 84

[Text] The necessity of correct work information and direction for technical youth brigades was made evident at a national-level meeting of this organization's railways department. Commander of the Revolution Guillermo Garcia Frias, Politburo member and transport minister, presided over the meeting.

Garcia Frias called on participants at the meeting to eliminate those things which are hazardous or that create abnormal working conditions for the workers in their work centers. He emphasized that the principle of a socialist society was to take care of the people and to preserve its health.

BRIEFS

AMBASSADOR TO CANADA -- The Council of State has appointed Rafael Hernandez Martinez ambassador to Canada. At the time of his appointment, the ambassador was serving as subdirector of protocol at the Foreign Ministry. [Text] [Havana Domestic Service in Spanish 2130 GMT 14 Sep 84 FL]

## DOMINICA

### CHARLES ALLEGES FOREIGN INTERFERENCE IN ELECTIONS

FL131913 Bridgetwon CANA in English 1528 GMT 13 Sep 84

[Text] Roseau, Dominica, Sep 13, (CANA -- Dominica's Prime Minister Eugenia Charles last night accused Cuba of seeking to engineer an opposition victory at the next general elections constitutionally due next year. Addressing a meeting of her ruling Dominica Freedom Party (DFP), Miss Charles said that Cuba had instructed many of the leftist politicans here to ensure that the main opposition Labour Party swept the DFP from power since it would be much easier to get rid of a labour government.

"The communists...they are the ones that have been told by Cuba: You must not yourself go forward in the election, you must support labour to the fullest for the purpose of taking out the Freedom Party." "What is the reason for that"...It will be much easier to get rid of the Labour Party in government than the Freedom Party," she told supporters who had braved the heavy showers to attend the meeting billed by public announcements as "issues leading up to the gleaner elections."

Miss Charles said that Cuba had also instructed leftist politicans to contest the vote as independents, and appear on the platforms of the Labour Party. The Dominican prime minister also accused a member of the United Dominica Labour Party (UDLP), a splinter of the Dominica Labour Party -- "of going to Libya to get support for the election both financially and (otherwise)."

She told her supporters "if they offer you money for your votes take the money but don't give them the votes." "We in the government are going to continue to do everything that we can up to the last day for the tax payers of this country," Miss Charles said. She announced that the European Economic Community (EEC) had under an agreement donated a quantity of rice which will be sold here and the money used for agricultural projects.

### UDLP Official Rejects Allegation

FL142154 Bridgetown CANA in English 2007 GMT 14 Sep 84

[Text] Roseau, Dominica, Sept 14 CANA -- The opposition United Dominica Labour Party (UDLP) today categorically denied an allegation by Prime Minister Eugenia Charles that one of its officials had visited Libya to seek assistance for general elections due here in 1985. General Secretary Rosie Douglas said in a statement that "this accusation is totally without foundation." Miss Charles, speaking at a public meeting of her ruling Dominica Freedom Party (DFP) earlier this week said that the official had gone to Libya to "get support for the election both financially and (otherwise)."

Douglas, brother of former finance minister and leader of the UDLP, Michael Douglas, said that he had travelled to Libya earlier this month as guest of the government there marking the anniversary of the coup that brought the Mu'ammar al-Gadhdhafi administration to power. "I would like to make it very clear that our party believes in having open relations with all countries except South Africa," he told reporters, adding: "We don't need any money from outside to win the next general elections. The government has alienated large sections of the community." Douglas said that Libyans had provided Dominica with assistance after the passage of Hurricane David in 1979 and the island receives assistance from the Organisation of Petroleum Exporting Countries (OPEC) the oil cartel of which Libya is a member. He felt that as long as the general elections "are free and fair" his party would not need any assistance from outside. And, he accused the ruling party of receiving financial assistance from the United States "so that President (Ronald) Reagan can say his Caribbean policies are working."

## SURINAME

### ARMY CHIEF OF STAFF SUSPECTED OF CORRUPTION

PM171450 Rotterdam NRC HANDELSBLAD in Dutch 7 Sep 84 p 1

[ANP report: "Surinamese Chief of Staff Suspected of Fraud"]

[Text] Paramaribo, 7 Sep -- Surinamese Army Chief of Staff Iwan Graanoogst is suspected of accepting bribes in connection with the granting of import licenses, well-informed sources in Paramaribo have reported.

Graanoogst, second in command after Army leader Bouterse, is chairman of the import licenses committee as well as Army chief of staff. He is said to have received money from importers favored by him. In Suriname it is difficult to get an import license because imports are almost at a standstill because of the country's shortage of foreign currency.

According to sources in the Transport, Trade and Industry Ministry, which has jurisdiction over the import license committee, documents exist which indicate fraudulent acts by Graanoogst. The Graanoogst affair started when a Paramaribo restaurateur was arrested at Zanderij Airport with a suitcase containing around $110,000. At his interrogation, the man said that he was taking the money abroad illegally on Graanoogst's instructions. Surinamese travelers are only allowed to take a limited amount of currency abroad.

It is thought in Paramaribo that Graanoogst, who is currently outside the country, will not return "because he is in too much difficulty." Graanoogst's wife left hurriedly earlier this week for the Netherlands with their two children.

In Paramaribo the names of other officers have been mentioned in connection with currency smuggling and corruption. So far there have been six arrests. Last week the director of Suriname's Central Import Board was dismissed for suspected corruption.

## VENEZUELA

### POLITICAL ASYLUM REQUESTED BY PANAMANIAN DENIED

PA151252 Madrid EFE in Spanish 2355 GMT 14 Sep 84

[Text] Caracas, 14 Sep (EFE) -- Venezuelan Foreign Minister Isidro Morales Paul said in Caracas today that the Venezuelan Government will not grant political asylum to Angel Wassel Rock, who is currently under the protection of the Venezuelan Embassy in Panama.

Three days ago Morales Paul stated that if it was confirmed that Angel Wassel had a criminal record, the Venezuelan Government would not grant him asylum.

Today the foreign minister explained that "asylum is not granted in cases like this," adding that nevertheless a practical and humanitarian solution to the situation is being sought.

With regard to the four Venezuelans who were arrested on the island of Trinidad on charges of drug trafficking, Morales Paul said that he did not have an official report on the case. However, he added that the problem is a routine one between neighboring countries. Morales Paul said that Venezulean authorities will look into the matter.